



JENNIFER M. GRANHOLM  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSING



ISMAEL AHMED  
DIRECTOR

December 27, 2010

The Honorable Bill Hardiman, Chair  
Senate Appropriations Subcommittee on DHS  
Michigan State Senate  
Lansing, Michigan 48933

The Honorable Dudley Spade, Chair  
House Appropriations Subcommittee on DHS  
Michigan House of Representatives  
Lansing, Michigan 48933

Dear Senator Hardiman and Representative Spade:

Section 546(3) of 2009 Public Act 129 and Section 546(3) of 2010 Public Act 190 require the Department of Human Services to calculate and report the cost of care, on a per diem basis, for foster care services delivered directly by the department. The report is attached.

If you have any questions, please contact Jane Schultz, director of the Budget Division, at (517) 373-7787.

Sincerely,

*for* Ismael Ahmed

c: Senate and House Appropriations Subcommittees on DHS  
Senate and House Fiscal Agencies  
State Budget Director

**Michigan Department of Human Services**  
**2009 Public Act No. 129, Section 546(3) Report**  
**FY10 Daily Cost of Foster Care Direct Worker**  
**Dated: 10/28/10**

<u>Item</u>	<u>Daily Cost</u>	<u>Explanation</u>
Salaries	\$217	(\$27.10 per hour x 8 hours)
Ins, Ret, Taxes	\$130	(at 60% of Salaries)
CSS&M	\$2	(at \$600 per FTE per year)
Travel	\$4	(at \$1,434 per FC worker per year)
IT costs, excluding equipment	\$3	(at \$1,239 per FTE per year)
Rent/Facilities	\$10	(at \$3,500 per FTE per year)
Subtotal	\$365	
Cost of 1st Line supr.	\$85	(6:1 ratio)(Also includes portion of 2nd Line supr.)
Cost of Ad Support wkr.	\$38	(8:1 ratio)
Cost of Prog Tech FTE	\$4	(125:1 ratio)
<b>TOTAL</b>	<b>\$492</b>	