



STATE OF MICHIGAN
 DEPARTMENT OF HUMAN SERVICES
 LANSING

RICK SNYDER
 GOVERNOR

NICK LYON
 INTERIM DIRECTOR

February 11, 2015

The Honorable Peter MacGregor, Chair
 Senate Appropriations Subcommittee on DHS
 Michigan State Senate
 Lansing, Michigan 48933

The Honorable Earl Poleski, Chair
 House Appropriations Subcommittee on DHS
 Michigan House of Representatives
 Lansing, Michigan 48933

Dear Senator MacGregor and Representative Poleski:

Section 274(2) of 2014 Public Act No. 252, Article X, requires the Department of Human Services (DHS) to prepare an annual report on its efforts to identify additional Temporary Assistance for Needy Families (TANF) Maintenance of Effort (MOE) sources and rationale for any increases or decreases from other departments, local units of government and private sources.

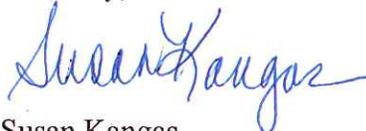
In fiscal year 2014, DHS contracted with Public Consulting Group (PCG) to evaluate and document third-party expenditures in an effort to identify additional TANF MOE-countable spending. DHS also identified additional MOE opportunities in the expanded Great Start Readiness Program administered by the Michigan Department of Education, and the new Michigan Energy Assistance Program, administered by the Michigan Public Service Commission.

	FY 2013	FY 2014	Rationale for Change
Department of Human Services Programs	\$138,624,029	\$107,783,099	The majority of the FY 14 reduction can be attributed to a 13,432 case decline in the FIP caseload.
Other State Departments	\$359,245,430	\$456,789,035	The FY 14 increase is attributed to the Great Start Readiness expansion and the new Michigan Energy Assistance Program.
Local Units of Government	\$30,320,961	\$7,859,578	DHS was able to make direct TANF claims for some local government spending, thus reducing MOE-countable expenditures.
Private Sources	\$49,450,976	\$44,375,194	Some previous sources of TANF MOE are using their expenditures as match for other federal grants.
Total	\$577,641,396	\$616,806,906	

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If you have any questions about this report, please contact me at (517) 373-7787.

Sincerely,



Susan Kangas
Chief Financial Officer

cc: Senate and House Appropriations Subcommittee on DHS
Senate and House Fiscal Agencies
Senate and House Policy Offices
State Budget Office