STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
LANSING

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September 10, 2015

TO: Chief Financial Officers, Administrative Officers, Chief Accountants, and Budget Officers

FROM: Phillip Jeffery, Chief Financial Officer, DTMB Financial Services

SUBJECT: Fiscal Year 2017 DTMB Service Rates

Over the past few months, the Department of Technology, Management and Budget (DTMB) has worked closely with a newly formed DTMB Rate Review Committee (Committee) to improve communication and foster stronger partnerships through collaboration with agencies in the rate development process. Proposed changes and/or additions to published rates were presented to the Committee, and questions from the Committee and other agencies were addressed throughout the process.

In an effort to assist agencies in planning for the fiscal year 2017 budget, DTMB, along with the Committee, are announcing the fiscal year 2017 services rates. The rate recommendations will be shared with the State Budget Office (SBO). The SBO will ultimately determine the funding level for the agencies.

Although fiscal year 2017 rates will be reviewed prior to the start of the fiscal year, DTMB plans to only maintain or lower these rates. In instances where program changes, service modifications, client business demands, or significant economic events drive material changes, a service rate may increase for fiscal year 2017. However, DTMB will continue to emphasize maintaining stable rates over multiple years whenever possible.

Attached is a listing of core DTMB services and corresponding rates for fiscal year 2017. Also noted on the rate chart, is several fiscal year 2016 rate changes; the most significant changes is a decrease in the per mile rates for Vehicle and Travel Services. The attached rates, as well as more complete schedules of all DTMB fiscal year 2017 rates, can be viewed on the intranet at http://inside.michigan.gov/wr/rates/Pages/default.aspx. (Click Topic "FY2017 Statewide Service Rates").

If you have specific service needs or questions, please call the individual DTMB program manager. For questions concerning Information Technology rates, you may contact Leo LaPorte at (517) 373-8308 or laportel@michigan.gov. For all other rates, you may contact Ron Foss at (517) 335-7015 or fossr@michigan.gov.

C: Mike Gilliland
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Attachment

Attachment

Department Technology, Management and Budget
Fiscal Year 2017 Service Rates

	FY2016 Rate	FY2017 Rate	Unit of Issue
Office of Support Services			
Delivery Services			
Dedicated Freight Runs, Regional Mail Route Service, and Freight Work Orders	quotes provided in advance	quotes provided in advance	
On Demand Freight Service			
Labor [a]	$99.00	$104.00	per hour
Vehicle – per hour	$12.00	$12.00	per hour
Vehicle – per mile [a]	$ 1.04	$ 1.01	per mile
Minimum Charge: 1 hour (consists of Labor + Vehicle + 20 miles) [a]	$132.00	$136.00	
Mailing Services			
Presort (blended) [b]	$0.0320	$0.0320	per piece
Metered Mail	$0.0424	$0.0424	per piece
Warehouse Services			
Warehouse Space – un-inventoried	$11.00	$11.00	per square foot per year
Inventoried Materials Management and Storage	$30.00	$30.00	per square foot per year
Secured Storage Management	$30.00	$35.00	per square foot per year
Inventoried Materials Handling Fee	$ 7.00	$ 7.00	per ship to address
Printing Services			
Warrant images	$0.0620	$0.0620	per image
Mainframe/Network digital images	$0.0590	$0.0590	per image
Other digital images	$0.0590	$0.0590	per image
State Surplus			
Vehicle and Equipment Auction Fee [c]	15% +	15% +	of sale price

Department Technology, Management and Budget
Fiscal Year 2017 Service Rates

	FY2016 Rate	FY2017 Rate	Unit of Issue
Office of Support Services (*continued*)			
Imaging Services			
Imaging Services	Actual + 15%	Actual + 15%	service fee
Vehicle and Travel Services			
Midsize Vehicles			
Fixed fee for lease and insurance costs [d]	$220.00	$207.00	per month
Per-mile rate for fuel, maint. and operating costs [e]	$0.1669	$0.1635	per mile
Large Vehicles			
Fixed fee for lease and insurance costs [d]	$246.00	$243.00	per month
Per-mile rate for fuel, maint. and operating costs [e]	$0.1928	$0.1889	per mile
State Building Authority			
Risk Management			
Type A Vehicle Insurance	$258.00	$258.00	per vehicle per year
Type C Vehicle Insurance	$18.00	$18.00	per vehicle per year
Type M Motorcycle Insurance	$129.00	$129.00	per vehicle per year
Other Insurance	Actual + 14.00%	Actual + 14.00%	administrative fee

[a] Fiscal year 2016 rate changed from the previously published rate on 9/4/14 based upon a re-evaluation of rates; Labor increased from $96.00 to $99.00 and Vehicle – per mile decreased from $1.19 to $1.04; the minimum charge remains unchanged.
[b] Fiscal year 2016 rate changed from the previously published rate on 9/4/14 based upon a re-evaluation of rates; Presort increased from $0.029 to $0.032.
[c] Negotiated rate based upon level of effort with a minimum of 15%
[d] Includes 1/12 of annual insurance amount shown for Type A Vehicle Insurance
[e] Fiscal year 2016 rate changed from the previously published rate on 9/4/14 based upon a re-evaluation of rates; Midsize per-mile decreased from $0.1751 to $0.1669 and Large per-mile decreased from $0.2119 to $0.1928.