

**Office of Land Survey**  
**Department of Licensing and Regulatory Affairs**  
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**2016 Formula to Calculate Grant Amounts**  
**(\$5.125 Million Award)**

**Grant Formula** used to calculate the amount of the grant appropriation each county is eligible for is derived from the sum of three separate categorical calculations.

$$\text{Category 1} + \text{Category 3} + \text{Category 2} = \text{County Grant}$$

**Category 1** is calculated based upon the statutory requirement that each county receives a minimum of 40 percent or 20 percent of their annual Survey and Remonumentation collections depending on whether a county is operating under its monumentation and remonumentation plan or its perpetual monument maintenance plan, respectively.

**Category 1 formula explained:**

Under MCL 600.2567a(3) the county is allowed to retain 1.5 percent of each fee collected, thus a minimum of 98.5 percent of the monies collected at the county are deposited into the Fund. The calculated amount of collections is multiplied by either 40 percent or 20 percent to determine the county's eligible minimum grant amount.

**Category 1 Formula:**

1. **County Total FY 2014 Deposits ÷ 0.985 = County 2014 FY Collections**
2. **County 2014 FY Collections x 0.40 (or 0.20) = County Category 1**

**Category 3** reimburses those counties who contribute local funds to their program during the last completed grant year. For 2015, this reimbursement is equal to the amount each county contributed to its program for the 2013 grant year.

**Category 3 formula explained:**

Counties that contributed local funds to their annual program will recapture those funds in the second year after they were contributed, i.e., 2013 contributions are recaptured under the 2015 grant. Under Category 3, 7.5 percent of the annual appropriation is made available for distribution, and counties may recapture up to 100 percent of the funds they contributed depending on the grant appropriation and the total amount of contributions made by all counties.

To calculate the amount of funds to be reimbursed to each county, a multiplier is determined by taking the total funds available for the Category 3 distribution and dividing it by the total contributions made by the counties. If the resultant multiplier is greater than one, the multiplier is rounded down to one because a county cannot

recapture more than it expended. The multiplier is then applied to each county's previous contribution to determine the county's Category 3 reimbursement.

**Category 3 formula:**

1. 2016 Grant Appropriation x 7.5% = Category 3

$$\mathbf{\$5,125,000 \times 7.5\% = \$384,375 \text{ Category 3}}$$

2. Funds for Category 3 ÷ Total 2013 Contributions = Reimbursement Multiplier

$$\mathbf{\$384,375 \text{ (avail. Cat. 3)} \div \$226,360 \text{ (Total 2014 contrib.)} = \mathbf{\$1.70} \text{ } \mathbf{\$1.00}$$

- a. If Reimbursement Multiplier ≥ \$1.00, then Reimbursement Multiplier = \$1.00
- b. If Reimbursement Multiplier < \$1.00, then Reimbursement Multiplier = calculated value

3. **County 2014 Contribution x Reimbursement Multiplier = County Category 3**

**Category 2** is calculated by taking the remainder of the grant appropriation and distributing it in a manner that is directly proportionate to a county's size relative to the size of the entire state. Size values are based on square miles and derived from the U.S. Census data.

**Category 2 formula explained:**

The county's size is divided by the state's size to determine the percent of land area within the state the county occupies. The resultant percentage is multiplied by the remainder of the grant appropriation, i.e. the total grant appropriation minus Category 1 and Category 3, to determine the percentage of the remainder of the grant appropriation the county is eligible for.

**Category 2 formula:**

1. **County Square Miles ÷ State Square Miles = Size Multiplier**
2. **Grant Appropriation – Category 1 Total – Category 3 Total = Category 2 Total**
3. **Category 2 Total x Size Multiplier = County's Category 2**