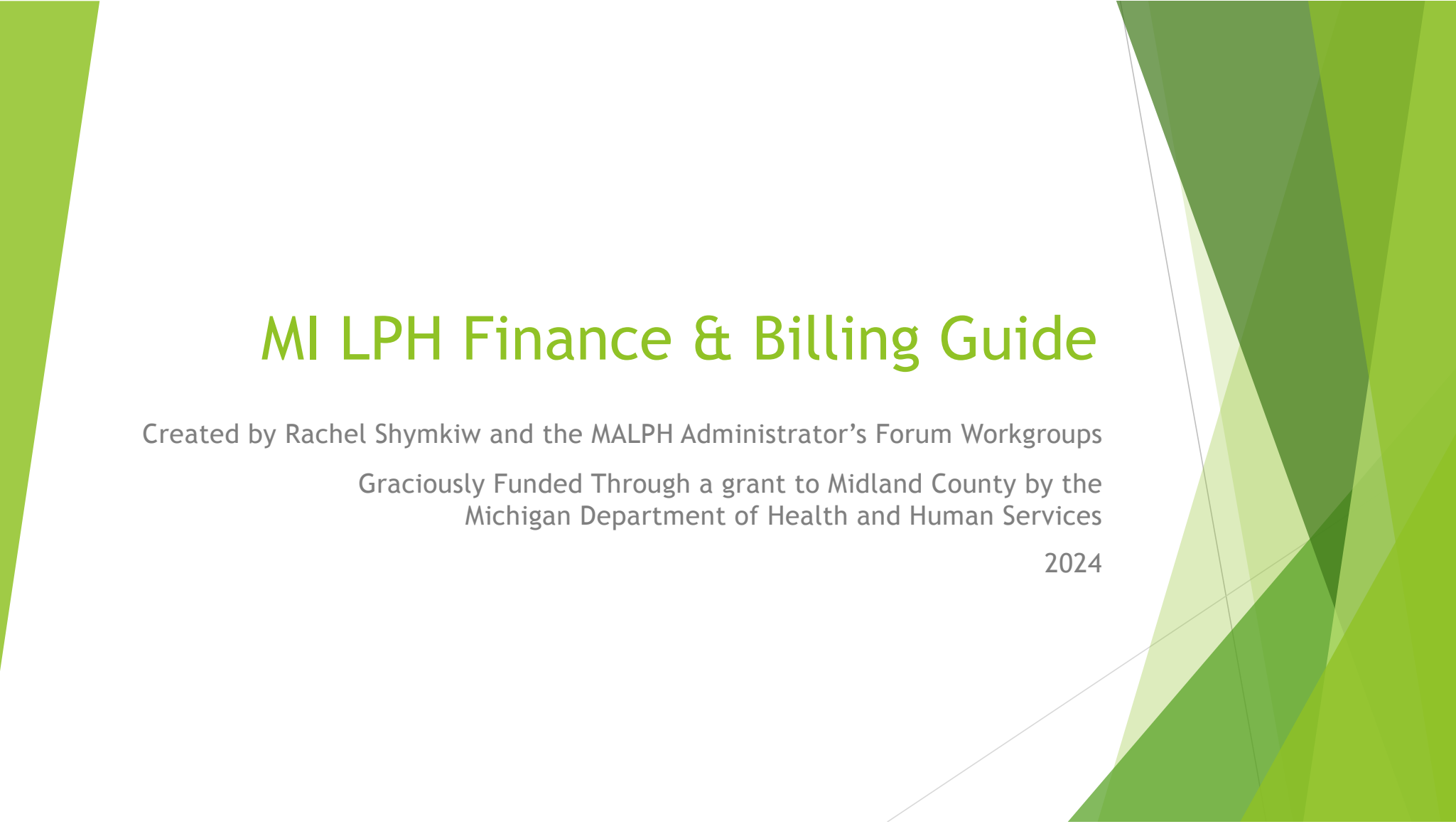




MI LPH Finance & Billing Guide

Created by Rachel Shymkiw and the MALPH Administrator's Forum Workgroups

Graciously Funded Through a grant to Midland County by the
Michigan Department of Health and Human Services

2024

Sources of Revenue

- ▶ Federal Funds (either directly awarded or passed through by the State)
 - ▶ Examples: Medicaid Full-Cost Based Reimbursement, WIC, CSHCS, VFC, PHEP
- ▶ State Funds (i.e., ELPHS, Local Community Stabilization Authority Act)
- ▶ Local Funds (i.e., match funds, maintenance of effort, local agreements)
- ▶ Private Funds (i.e., foundations, charities, donations)
- ▶ First Party Payments (fees for various services paid directly by recipient)
- ▶ Third Party Payments (Medicaid, Medicare, Private Insurance)
- ▶ In-Kind Contributions

Expenditures

- ▶ Become familiar with your own LHD's structure of expense categories
- ▶ MDHHS Categories:
 - ▶ Salaries and Wages
 - ▶ Fringe Benefits
 - ▶ Employee Travel and Training
 - ▶ Supplies and Materials (consumable and short-term items less than \$10,000)
 - ▶ Subawards - Subrecipient Services
 - ▶ Contractual – Professional Services
 - ▶ Communications
 - ▶ Grantee Rent Expense
 - ▶ Space Expenses
 - ▶ Capital Expenses – Equipment and Other (greater than \$10,000)
 - ▶ Other Expenses
 - ▶ General and Administrative Indirect Expenses

MDHHS Comprehensive Agreement

► Links to Resources:

- Calendar of Processes
- Cost Sharing and Matching
- Guide to the Comprehensive Agreement Contract
- MDHHS Medicaid Cost Reimbursement Resources (Fee Schedules, Full-Cost Instructions, Medicaid Outreach)
- ELPHS Funding Formula Report (2019)
- Funding Definitions
- Local Community Stabilization Authority Act (Supplemental ELPHS Funding)
- MDHHS Budgeting & Reporting for Expenses and Revenues (10-1-24)
- Maintenance of Effort (MOE) Instructions

EGrAMS Resource Links

- ▶ Finding Current EGrAMS Training (New Finance Officers should review this training as soon as possible and refer back to it as needed)
- ▶ EGrAMS Schedule of Financial Assistance Instructions (to be used for preparing a SEFA - Schedule of Expenditures of Federal Awards for your Single Audit)
- ▶ Uploading Documents (i.e., Fiscal Review Questionnaire, Reports) to EGrAMS instructions

Audit Resource Links

- ▶ US Government Accounting Office (GAO) Green Book
- ▶ Michigan Uniform Chart of Accounts
- ▶ Understanding the Revisions: Uniform Guidance for Federal Awards
- ▶ 2 CFR Revisions 2024: Unofficial Comparison Version

Other Resource Links

- ▶ Common Acronyms
- ▶ Directory of MI Local Health Departments and links to their Websites
- ▶ MALPH Resource Page
- ▶ MALPH Administrator's Forum Rules of Conduct (to join, call MALPH (517) 485-0660)
- ▶ Guide to Billing for Local Health Departments
- ▶ MI Medicaid Provider Billing and Reimbursement Resources
- ▶ MI Medicaid Provider Manual
- ▶ MI Public Health Code
- ▶ MI Record Retention Schedules
 - ▶ Local Health Departments
 - ▶ Administrative Records
 - ▶ Finance
 - ▶ Human Resources
 - ▶ Non-Record Material
- ▶ [Resources for Those New to Public Health \(MALPH\)](#)

CURRENT LHD CA* PROCESS			NEW LHD CA APPLICATION PROCESS	OTHER FISCAL RESPONSIBILITIES
1st Qtr				ELPHS full year detailed report due Oct. 15th.
	Oct	New contract begins Oct. 1		Estimated MoE for new Contract Year (Oct. 1 - Sept. 30) due by Oct. 31 to EGrAMS.
	Nov			PHEP final FSR due Nov. 15th All other final FSRs due Nov. 30th
	Dec	1st amendment typically issued (dates vary. MDHHS will send notification in EGrAMS). Any projects needing revision will be opened in EGrAMS**. Typically LHDs have 2 weeks to complete and submit by Authorized Official in EGrAMS. To complete the amendment in EGrAMS: Grantee>Grant Application>Enter Grant Application To submit the completed amendment in EGrAMS: Grantee>Grant Application>Application Preview		
	Jan			Family Planning full year report due Jan. 10th 1st qtr FSRs are due no later than Jan. 30th

2nd Qtr	Feb			
	Mar	2nd amendment typically issued (dates vary. MDHHS will send notification to the Project Director in EGrAMS). Any projects needing revision will be opened in EGrAMS**. Typically LHDs have 2 weeks to complete and submit by Authorized Official in EGrAMS.		
3rd Qtr				Actual Maintenance of Effort (MoE) report for previous Contract Year due Apr. 10th
	Apr			ELPHS half-year detail report due Apr. 15th 2nd qtr FSRs are due no later than Apr. 30th
	May		New contract application is posted in EGrAMS. Application and project budgets due by the last business Friday in June. LHD Authorized Official must submit entire application and projects. To complete the application in EGrAMS: Grantee>Grant Application>Enter Grant Application To submit the completed application in EGrAMS: Grantee>Grant Application>Application Preview	

	Jun	3rd amendment typically issued (dates vary. MDHHS will send notification in EGrAMS). Any projects needing revision will be opened in EGrAMS**. Typically LHDs have 2 weeks to complete and submit by Authorized Official in EGrAMS.		LHDs with fiscal years that end Sept. 30, Single Audit are due to MDHHS-AuditReports@michigan.gov by Jun. 30. All others, Single Audit reports are due 9 months after your fiscal year ends.
4th Qrt	Jul		MDHHS various dept. staff reviews and approves the LHDs application and projects in EGrAMS. Project Manager can monitor progress in EGrAMS. Project Manager is notified by MDHHS if revisions are needed. Applicable project is opened in EGrAMS for revision.	Family Planning partial year report is due Jul. 12th 3rd qtr FSRs are due no later than July 30th
	Aug	Final amendment typically issued (dates vary. MDHHS will send notification in EGrAMS). ALL projects will be opened in EGrAMS to allow revisions to budgets. Typically LHDs have 2-4 weeks to complete and submit by Authorized Official in EGrAMS.	Depending on when the LHD has submitted their application, MDHHS will finalize approval and issue contract in EGrAMS for signature. This should be available the middle to end of Aug. Project Director is notified that comprehensive agreement application is approved. The draft contract can be viewed in EGrAMS: Grantee>Project Director>Application Status to review/print Grant Agreement.	Submit Fiscal Review Questionnaire in EGrAMS by end of Aug. (This task is completed in EGrAMS by the Project Director)

	Sep		New contract is signed by LHD Authorized Official once their approval process is complete (i.e., BOC resolution). Authorized Official path in EGrAMS: Grantee>Project Director>Application Status	Obligation report is due by the last Friday of Sept. Path in EGrAMS: Grantee>Reporting>Progress Reports
* MDHHS Comprehensive Agreement for Local Health Departments ** If you need to request a budget amendment in EGrAMS to any of the projects, the LHD Project Supervisor <u>must</u> make a request to the appropriate MDHHS Project Manager before the next amendment due date. A list of contact information and due dates should be provided in Att. III of your contract. The project budget will be opened in EGrAMS during the next Amendment. Medicaid Full Cost Reimbursement Report is due the last day of the fifth month following the end of the LHD fiscal year				

COST SHARING AND MATCHING

Definition (as of 10/01/2024):

Cost sharing means the portion of project costs not paid by Federal funds or contributions (unless authorized by Federal statute). This term includes matching, which refers to required levels of cost share that must be provided. See also [§ 200.306](#).

COST SHARING

For all Federal awards, cost sharing funds (including cash and third party in-kind contributions, and also including funds committed by the recipient, subrecipient, or third parties) must meet the following criteria:

1. **MUST BE VERIFIABLE** - Cost sharing and matching contributions must be verifiable from the Local Health Department's records.
2. **NOT COUNTED MORE THAN ONCE** - Cost sharing and matching contributions must not be included as contributions for any other Federal award.
3. **NEEDED FOR PROJECT/PROGRAM** - Cost sharing and matching contributions must be necessary and reasonable for achieving the objectives of the Federal award.
4. **MUST BE ALLOWABLE COSTS** - Cost sharing and matching contributions must be allowable under 2 CFR Part 200 Subpart E-Cost Principles aka the Uniform Guidance.
5. **NOT FROM FEDERAL SOURCES** - Cost sharing and matching contributions must not be paid by the Federal government under another Federal award, unless a Federal statute authorizes it.
6. **INCLUDED IN APPROVED BUDGET** - Cost sharing and matching contributions must be provided for in the approved budget when required by the Federal agency.
7. **CONFORM TO 2 CFR 200.306** - Cost sharing and matching contributions must conform to other provisions of 2 CFR 200.306 Cost sharing.
8. **SERVICES ARE NECESSARY** - Services furnished by third-party personnel, consultants, and others must be an integral and necessary part of an approved project or program to be included in cost sharing and matching

CASH MATCH

The most common type of match, and the easiest to track, is a cash match. Cash match is either the Local Health Department's own funds (i.e. General revenue), 1st and 2nd party fees and collections (i.e. Private payers, including patients and any member of the general population receiving services; 2nd party funds from organizations, private or public, who might reimburse services for a group or under a special plan; or any other collections that are Non-Federal), 3rd

party fees and collections (i.e. Private health insurance or any other collections that are Non-Federal), or by non-federal private grants and donations. A cash match contribution is an actual cash contribution.

IN-KIND MATCH

In-kind match contributions come from the Local Health Department and are typically in the form of the value of personnel, goods and services, including direct and indirect costs. Every in-kind item must have a defensible method for assigning a fair-market value (i.e., the value of volunteers).

Guide to the MDHHS LHD Comprehensive Agreement

Your LHD Comprehensive Agreement contract can be downloaded from EGrAMS through the Authorized Official path in EGrAMS: **Grantee>Project Director>Application Status**

It is very important to have a copy of your full contract including all attachments and to become familiar with it. Below are some items important to LHD Finance Directors in the main contract.

Equipment Purchases and Title (main contract, part 1.,3.,B.) - “Equipment means tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$10,000 or more per unit.”

Budget Transfers and Adjustments (main contract, part 1.,3.,C.) – “Transfers between categories within any program element budget supported in whole or in part by state/federal categorical sources of funding will be limited to increases in an expenditure budget category by \$10,000 or 15% whichever is greater. This transfer authority does not authorize purchase of additional equipment items or new subcontracts with state/federal categorical funds without prior written approval of the Department.”

Fees (main contract, part 2., I., B.) - “budget the additional source of funds and reflect the source of funding on the Financial Status Report.” “Make reasonable efforts to collect 1st and 3rd party fees, where applicable, and report those collections on the Financial Status Report.”

Grant Program Operation (main contract, part 2., I., C.) – “Use an accounting system that can identify and account for the funds received from each separate grant, regardless of funding source, and assure that grant funds are not commingled.”

Record Maintenance/Retention (main contract, part 2., I., E.) – “records and detailed documentation for the grant project or grant program identified in this Agreement will be maintained for a period of not less than four years from the date of termination, the date of submission of the final expenditure report or until litigation and audit findings have been resolved.”

Single Audit Due Date and Where to Send (main contract, part 2., I., G., 3.) – “The required audit and any other required submissions (i.e., corrective action plan, and management letter with a corrective action plan), and/or Audit Exemption Notice must be submitted to the Department within the earlier of 30 calendar days after receipt of the auditor’s report(s) or nine months after the end of the Grantee’s fiscal year by e- mail to MDHHS-AuditReports@michigan.gov.”

Fiscal Questionnaire (main contract, part 2, I., U.) – “Complete and upload the yearly fiscal questionnaire to the EGrAMS agency profile within three months of the start of the Agreement.”

Financial Status Report Submission Instructions (main contract, part 2, IV., C., 4.) – “The instructions for completing the FSR form are available on the website” [author’s edit: <https://egrans-mi.com/mdhhs/user/home.aspx>. Select About EGrAMS, then select Grantee: Project Based Standard Instructions.] “Send FSR questions to FSRMDHHS@michigan.gov.”

Reimbursement Methods for the Various Program Elements listed on Attachment IV (main contract, part 2, IV., D.) –

1. Performance Reimbursement
2. Actual Cost Reimbursement
3. Fixed Unit Rate Reimbursement
4. Essential Local Public Health Services (ELPHS)

Final Obligation Reporting Requirements (main contract, part 2, IV., G.) – “An Obligation Report, based on annual guidelines, must be submitted by the due date using the format provided by the Department through MI E-Grants. The Grantee must provide, by program, an estimate of total expenditures for the entire Agreement period (October 1 through September 30). This report must represent the Grantee’s best estimate of total program expenditures for the Agreement period.”

Final Financial Status Reporting Requirements (main contract, part 2., IV., H.) – “Final FSRs are due on the following dates following the Agreement period end date:
Public Health Emergency Preparedness 11/15/2023
All Remaining Projects 11/30/2023

Indirect Costs and Cost Allocations/Distribution Plans (main contract, part 2., IV., J.) – “The Grantee is allowed to use approved federal indirect rate, 10% de minimis indirect rate or cost allocation/distribution plans in their budget calculations.

1. Costs must be consistently charged as indirect, direct or cost allocated, but may not be double charged or inconsistently charged.
2. If the Grantee does not have an existing approved federal indirect rate, they may use a 10% de minimis rate in accordance with Title 2 Code of Federal Regulations (CFR) Part 200 to recover their indirect costs.
3. Grantees using the cost allocation/distribution method must develop certified plan in accordance with the requirements described in Title 2 CFR, Part 200 which includes detailed budget narratives and is retained by the Grantee and subject to Department review.
4. There must be a documented, well-defined rationale and audit trail for any cost distribution or allocation based upon Title 2 CFR, Part 200 Cost Principles and subject to Department review.”

Funding and ELPHS Transfer (main contract, part 2, XIII., B.) – “The Grantee must advise the Department in writing by May 1, if the amount of Department funding may not be used in its

entirety or appears to be insufficient for any program element. ELPHS transfer requests between MDHHS, MDARD and MDEQ must also be requested in writing by May 1.”

Make sure to completely read **Attachment I** of the Comprehensive Agreement, which is the **instructions for the annual budget**.

Attachment III of the Comprehensive Agreement is the **Program Specific Assurances and Requirements**. This document includes important additional requirements that you may need to be aware of. It also explains the various reimbursement methods that are applied to each program. A contract amendment schedule for budget amendment request due dates is also included. Please read this document and the requirements for each of your funded programs.

Attachment IV of the Comprehensive agreement is the **footnotes** and includes fixed fee rates such as CSHCS Care Coordination, Body Art, and FIMR Case Abstractions.



2/1/2019

Essential Local Public Health Services Funding Report

Presented by: Essential Local
Public Health Services Funding
Committee

Contents

Executive Summary	1
Essential Local Public Health Services Funding Committee	2
Introduction	3
Legislative Mandate	3
ELPHS Funding History	4
How the Cost-Sharing Program Was Managed	4
Cost-Sharing Services	4
Annual State-to-Local and Local-to-Local Appropriation Assessment (1993-2018)	5
ELPHS Funding Appropriations Compared to Inflation	6
ELPHS 50-50 Cost Share Analysis	7
LHD Requirements under the 2019 Comprehensive Agreement	8
Current Programmatic Funding Formulas	8
ELPHS FY 2019 Appropriations	10
Funding Recommendations	12
Demonstration of Proposed Formula Factors	12
ELPHS Proposed Formulas by Department	13
Recommendations and Conclusion	14

Executive Summary

Objective: The FY 2019 budget boilerplate Section 1234 charged Michigan Department of Health and Human Services (MDHHS) to develop and report to the Legislature a revised distribution formula for the allocation of Essential Local Public Health Services (ELPHS) funding to local health departments to be implemented during the fiscal year beginning October 1, 2019.

Project Participants: MDHHS referred this issue to the Public Health Advisory Council (PHAC). The PHAC formed a workgroup to consider the charge. The Workgroup consisted of four local health officers, four PHAC members, two local financial administrators, and financial and program administrators representing Michigan Department of Agriculture and Rural Development (MDARD), Michigan Department of Environmental Quality (MDEQ) and MDHHS.

Background and Findings: The Michigan Public Health Code (P.A. 368 of 1978, as amended) required local governing entities to provide the following essential services: Infectious Disease Control, Sexually Transmitted Disease Control and Prevention, Immunizations, Hearing Screening and Vision Services, Public Water Supply/Private Groundwater, Onsite Wastewater Treatment and Food Protection. The Michigan Public Health Code, Section 333.2475 states “the department shall reimburse local governing entities for the reasonable and allowable costs of delivery of those services in accordance with the following schedule: First year-20%, Second year-30%, Third year-40%, and Fourth year and thereafter, 50%.” The current cost-sharing funding formula was created in 1988 by University of Michigan’s Dr. John Romani on behalf of the Department. The formula was implemented in 1993 and transitioned into the Local Public Health Operations funding in FY 1998, and then to the Essential Local Public Health Services method in FY 2013. The workgroup concluded that state 50-50 cost share for the mandated Essential Public Health Services is not being met. The state currently is funding local health departments at approximately 25-30% of cost share.

Recommendations:

1. Funds should be disbursed as a block grant to local public health to meet the intended flexibility to address local health department needs.
2. The workgroup recommends the Legislature meet the statutory 50-50 cost share requirement while implementing the revised funding formula outlined in the report. To meet the 50-50 cost share, it would require an additional \$36 Million.
3. If the above recommendation is not met at a minimum, the Legislature should hold harmless all local health departments when implementing the revised funding formula, which would require an increased appropriation of approximately \$6 to \$8 Million.
4. If the Legislature will not provide the additional funds as proposed in options 2 or 3, the workgroup strongly recommends making no changes to Essential Local Public Health Services funding at the present time.

Conclusion:

As of FY 2017, Michigan provided the 9th lowest state funding for public health in the United States. Given the opportunities to improve Michigan’s public health system, and the challenges inherent in providing even minimal services through ELPHS programming, it is incumbent upon the State of Michigan to increase funding to protect the public’s health by meeting the state-mandated 50-50 cost share for state-mandated Essential Local Public Health Services.

The Essential Public Health Services Funding Committee

Alexis Adams	City of Detroit Health Department
Eric Adelman	Kadima Center and PHAC Member
James Averill	MDARD – State Veterinarian and PHAC Member
Ken Bowen	Ionia County Health Department Health Officer
Jamie Dean	Monroe County Health Department and Chair of Local Health Financial Administrators Forum
Dana DeBruyn	MDEQ
Laura de la Rambelje	MDHHS
Nick Derusha	Luce-Mackinac-Alger-Schoolcraft District Health Department Health Officer
Sean Dunleavy	MDARD
Amy Epkey	MDEQ
Steven Hall	Central Michigan District Health Department Health Officer and Michigan Association of Local Public Health President
Farah Hanley	MDHHS
Jeanette Hensler	MDHHS
Joneigh Khaldun	City of Detroit Health Department Health Officer and PHAC Member
Christine Lopez	District Health Department #10 and Local Health Financial Administrators Forum
Karen MacMaster	MDHHS
Cindy Masterson	MDHHS
Hailey McWilliams	MDHHS
Sylvia Renteria	MDEQ
Bill Ridella	Macomb County Health Department Health Officer
Kristen Schweighoefer	Washtenaw County Health Department, PHAC Member, and Michigan Association of Local Environmental Health Administrators President
Tim Slawinski	MDARD
Gillian Stoltman	Oakleaf Consulting and MDHHS Population Health Administration Consultant
Orlando Todd	MDHHS
Maria Tyszkiewicz	MDARD
Jessica Van Winkle	MDHHS
Janine Whitmire	MDHHS

Bold = PHAC Member

Introduction

The workgroup developed a funding template that included factors and methodology for the proposed revised funding formula.

The current funding formula used to allocate ELPHS funds to the local health departments has not been changed since it was implemented in 1993. Based on the Michigan Public Health Code (P.A. 368 of 1978, as amended) there shall be a 50/50 cost share for state mandated Essential Local Public Health Services.¹

The Essential Local Public Health Services include:

- Infectious Disease Control
- Sexually Transmitted Disease Control and Prevention
- Immunization
- Hearing Screening and Vision Services²
- Public Water Supply/Private Ground Water Supply
- Onsite Sewage Management
- Food Protection

Legislative Mandate

(Michigan Public Health Code)

333.2475 Reimbursement for costs of services; equitable distribution; schedule; local expenditure in excess of prior appropriation.

Sec. 2475.

(1) The department shall reimburse local governing entities for the reasonable and allowable costs of required and allowable health services delivered by the local governing entity as provided by this section. Subject to the availability of funds actually appropriated reimbursements shall be made in a manner to provide equitable distribution among the local governing entities and pursuant to the following schedule beginning in the second state fiscal year beginning on or after the effective date of this part:

- (a) First year, 20%.
- (b) Second year, 30%.
- (c) Third year, 40%.
- (d) Fourth year and thereafter, 50%.

(2) Until the 50% level is reached, a local governing entity is not required to provide for required services if the local expenditure necessary to provide the services is greater than those funds appropriated and expended in the full state fiscal year immediately before the effective date of this part.

¹ Michigan Public Health Code – 333.2475

² Hearing and Vision are funded through appropriations from the Michigan Department of Education

ELPHS Funding History

A cost-sharing funding formula was created in 1988 by University of Michigan's Dr. John Romani on behalf of the Department. The Cost-Sharing method was implemented in 1993 and transitioned into the Local Public Health Operations funding in FY 1998. The Local Public Health Operations funding method transitioned into the Essential Local Public Health Services method in FY 2013.

How the Cost-Sharing Program was Managed

In the years that Cost-Sharing was used (1993-1998), the Department of Community Health (MDCH) appointed a local funding formula committee under the condition that it be:

- Represented by Twenty-four (24) Local Health Department Officers/Administrators
 - Recommended by the Michigan Association for Local Public Health and approved by MDCH
 - Geographically-representative
 - Representative of various-sized local health departments
 - Included representative(s) from a local non-profit agency, as applicable.

The Local Funding Formula Committee reviewed and recommended funding distributions and MDCH issued annual cost-sharing planning and funding guidelines to local health departments. Local health departments submitted annual budget requests for cost-shared services that were adjusted based upon cost parameters and then allocations were forwarded to the local health departments.

Cost-Sharing Services

At the time, the following services were included under the cost-sharing agreement:

- Public Water Supply/Private Groundwater Supply
- Onsite Sewage Treatment Management
- Food Protection
- Immunization
- Vision Screening
- Hearing Screening
- Sexually Transmitted Disease Control
- General Communicable Disease Control

Annual State-to-Local and Local-to-Local Appropriation Assessment (1993-2018)

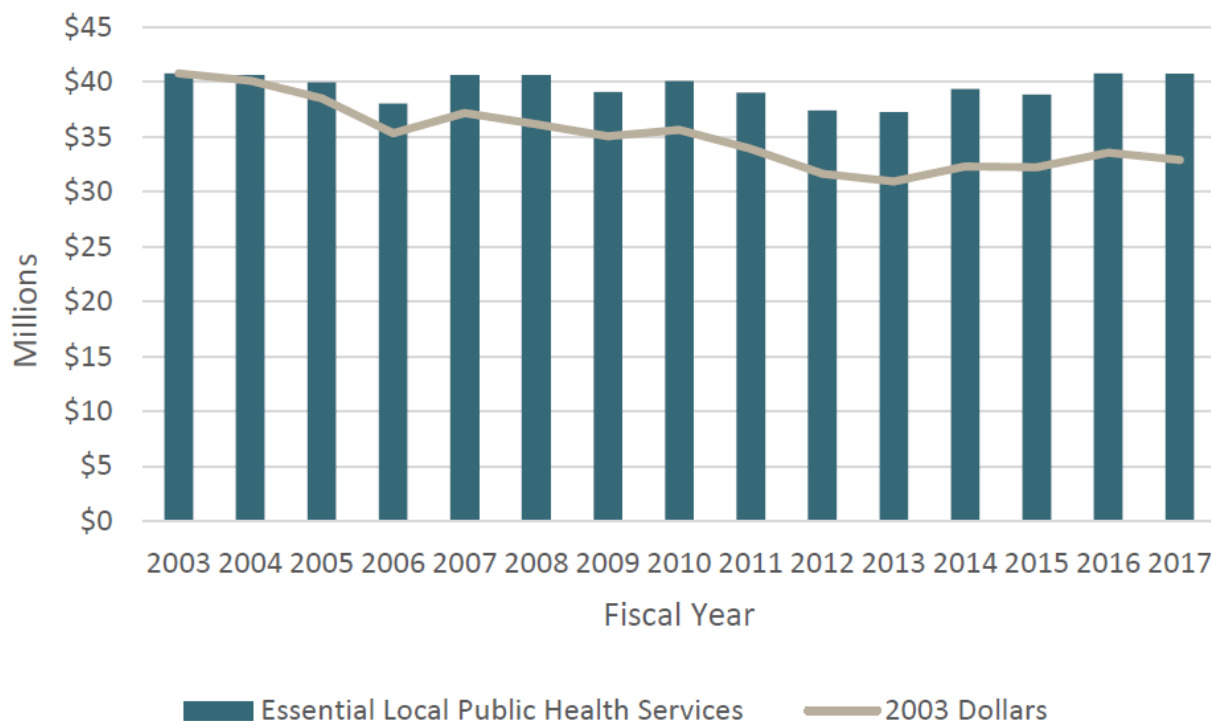
FY	Aggregate State Appropriation Value	% Annual Change	Title in Appropriations	MOE Appropriation Value	% Annual Change
1993	\$17,047,970		Cost-Sharing	\$73,744,157	
1994	\$17,904,500	5.02%	Cost-Sharing	Could Not Acquire	
1995	\$33,012,600	84.38%	Cost-Sharing	Could Not Acquire	
1996	\$33,512,600	1.51%	Cost-Sharing	Could Not Acquire	
1997	\$36,833,500	9.91%	Cost-Sharing	Could Not Acquire	
1998	\$36,412,600	-1.14%	Cost-Sharing	Could Not Acquire	
1999	\$38,712,600	6.32%	LPHO	Could Not Acquire	
2000	\$39,874,000	3.00%	LPHO	Could Not Acquire	
2001	\$41,070,200	3.00%	LPHO	Could Not Acquire	
2002	\$41,070,200	0.00%	LPHO	Could Not Acquire	
2003	\$40,769,300	-0.73%	LPHO	Could Not Acquire	
2004	\$40,610,819	-0.39%	LPHO	Could Not Acquire	
2005	\$39,941,400	-1.65%	LPHO	Could Not Acquire	
2006	\$38,043,381	-4.75%	LPHO	\$119,317,111	
2007	\$40,618,400	6.77%	LPHO	\$127,601,491	6.9%
2008	\$40,618,400	0.00%	LPHO	\$123,905,610	-2.9%
2009	\$39,082,800	-3.78%	LPHO	\$119,653,313	-3.4%
2010	\$40,082,800	2.56%	LPHO	\$105,003,470	-12.2%
2011	\$37,379,700	-6.74%	LPHO	\$107,032,700	1.9%
2012	\$37,386,100	0.02%	LPHO	\$102,656,206	-4.1%
2013	\$37,386,100	0.00%	ELPHS	\$90,085,738	-12.2%
2014	\$39,386,100	5.35%	ELPHS	\$86,917,555	-3.5%
2015	\$40,886,100	3.81%	ELPHS	\$80,937,270	-6.9%
2016	\$38,889,204	-4.88%	ELPHS	\$94,663,184	17.0%
2017	\$39,810,536	2.37%	ELPHS	Could Not Acquire	
2018	\$39,810,536	0.00%	ELPHS	Could Not Acquire	

Table 1

Table 1 provides annual ELPHS state appropriations and local Maintenance of Effort (MOE) since FY 1993.

With the exception of the additional \$4 Million funding in FY 2019 (see table 4), ELPHS appropriations have remained relatively stable around \$40 Million since FY 2003. An August 2018 independent analysis noted that after adjusting for inflation using the Consumer Price Index it would require an additional \$16 Million in FY 2019 for local health departments to maintain the state-mandated essential services at the same level provided in FY 2003.³

Essential Local Public Health Services Expenditures, FY2003 - FY2017



Source: Michigan State Budget Office

Table 2

³ Citizens Research Council. "An Ounce of Prevention: What Public Health Means for Michigan." August 2018. Page 15. https://crcmich.org/PUBLICAT/2010s/2018/rpt403_public_health.pdf

A further internal analysis revealed a larger shortfall in the 50-50 cost share. While it would take an additional \$16 Million to maintain ELPHS funding at the same level of service as afforded in FY 2003, it would take an additional \$36 Million for the state to meet its statutory requirement of the 50-50 cost share. A five-year analysis of state ELPHS contributions and local contributions is available in Table 3.

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES FINANCIAL OPERATIONS ADMINISTRATION BUREAU OF GRANTS AND PURCHASING						
ESSENTIAL LOCAL PUBLIC HEALTH SERVICES (ELPHS) FIVE YEAR TOTAL EXPENDITURES BY STATE AGENCY						
FISCAL YEAR 2018						
State Agency	ELPHS State Funds		Local Funds	Total Expenditures	% ELPHS State Funds	Increase in State Funds to match Local Funds 50/50
MDARD	\$	8,786,993	\$ 23,754,519	\$ 32,541,512	27%	
MDEQ	\$	9,404,139	\$ 15,940,098	\$ 25,344,237	37%	
MDHHS	\$	21,551,004	\$ 36,675,673	\$ 58,226,677	37%	
Grand Total	\$	39,742,136	\$ 76,370,290	\$ 116,112,426	34%	\$ 36,628,155
FISCAL YEAR 2017						
State Agency	ELPHS State Funds		Local Funds	Total Expenditures	% ELPHS State Funds	Increase in State Funds to match Local Funds 50/50
MDARD	\$	8,658,894	\$ 22,831,430	\$ 31,490,324	27%	
MDEQ	\$	9,633,605	\$ 14,839,460	\$ 24,435,379	39%	
MDHHS	\$	21,311,361	\$ 32,978,947	\$ 54,871,807	39%	
Grand Total	\$	39,603,859	\$ 70,649,838	\$ 110,797,510	36%	\$ 31,045,979
FISCAL YEAR 2016						
State Agency	ELPHS State Funds		Local Funds	Total Expenditures	% ELPHS State Funds	Increase in State Funds to match Local Funds 50/50
MDARD	\$	8,550,151	\$ 19,680,032	\$ 28,230,183	30%	
MDEQ	\$	9,366,461	\$ 15,068,524	\$ 24,434,985	38%	
MDHHS	\$	20,744,675	\$ 35,437,388	\$ 56,286,113	37%	
Grand Total	\$	38,661,287	\$ 70,185,944	\$ 108,951,281	35%	\$ 31,524,658
FISCAL YEAR 2015						
State Agency	ELPHS State Funds		Local Funds	Total Expenditures	% ELPHS State Funds	Increase in State Funds to match Local Funds 50/50
MDARD	\$	8,313,330	\$ 20,247,835	\$ 28,561,165	29%	
MDEQ	\$	9,147,729	\$ 13,202,352	\$ 22,350,081	41%	
MDHHS	\$	19,752,982	\$ 35,199,095	\$ 54,940,727	36%	
Grand Total	\$	37,214,042	\$ 68,649,281	\$ 105,851,973	35%	\$ 31,435,239
FISCAL YEAR 2014						
State Agency	ELPHS State Funds		Local Funds	Total Expenditures	% ELPHS State Funds	Increase in State Funds to match Local Funds 50/50
MDARD	\$	8,298,844	\$ 20,367,286	\$ 28,666,130	29%	
MDEQ	\$	9,090,726	\$ 11,396,717	\$ 20,487,443	44%	
MDHHS	\$	21,842,799	\$ 32,387,192	\$ 54,229,991	40%	
Grand Total	\$	39,232,368	\$ 64,151,195	\$ 103,383,563	38%	\$ 24,918,827
MDARD: Michigan Department of Agriculture and Rural Development						
MDEQ: Michigan Department of Environmental Quality						
MDHHS: Michigan Department of Health and Human Services						

Table 3

Local Health Department requirements under the 2019 Comprehensive Agreement

Part II. Sec. I(M) of the 2019 Comprehensive Agreement with local health departments mandates compliance with the Minimum Program Requirements, as assessed as part of the Michigan Local Public Health Accreditation Program. Sec. I(P) describes the process if a local health department receives a “Not Accredited” status as part of their most recent review of the Michigan Local Public Health Accreditation Program.

Part II. Sec. I(O) mandates compliance with the maintenance of effort for Essential Local Public Health Services, as defined by the current Department appropriation act.⁴

Both of these sections include requirements that the local health departments must meet. Without adequate funding for these essential services, many local health departments are currently struggling to meet these standards.

Current Programmatic Funding Formulas

Having considered the ELPHS funding history, MDHHS could not identify rational, equitable funding formulas that reflect the reality of needs in each local health department. Rather, aggregate appropriations have been based upon funds disbursed in 1992. Due to some flexibility in use of the funds across ELPHS programs, local health departments have been able to shift revenue to address community need. Subsequent changes in ELPHS appropriations to local health have been based upon the amount of funds present in a given program in a given year and have not been tied to actual cost to maintain ELPHS programs or to community need.

- **Public Water Supply/Private Groundwater Supply, Onsite Sewage Management and Food Protection** funding is appropriated from the Legislature to MDHHS (not MDEQ and MDARD). MDHHS determines how much each local health department receives and is based upon previous year allocations.
- **HIV/STD ELPHS** funding is based previous year allocations.
- **General Communicable Disease and Immunization** funding is based upon previous year allocations.
 - Additionally, for **General Communicable Disease** each of the 8 jurisdictions that house a regional epidemiologist receives \$7,500 (to provide for a workstation and other assets). If the regional epidemiologist has a split office among two (2) jurisdictions, each receives \$3,750.
- **Hearing and Vision** (ELPHS programs funded through Michigan Department of Education) utilize the following to distribute \$5,000,000 in funds:
 - Forty-Five (45) percent of the total funding represents base funding, determined by the proportion of eligible preschool and school-aged children in the local health department region.

⁴ This citation references Budget Transfers and Adjustments in the Comprehensive Agreement.

- The remaining fifty-five (55) percent is distributed through the following formula that is comprised of three (3) variables that drive up the cost of administering the program:
 - Twenty (20) percent is based on a proportion of eligible school buildings;
 - Twenty (20) percent is based on a proportion of students in need (Free/Reduced Lunch); and
 - Fifteen (15) percent is based on the average time traveled, as based on the geographic size of the local health department jurisdiction

The current funding for FY 2019 ELPHS appropriations are presented in the following table.

	MDARD FOOD	MDHHS HEARING *	MDHHS VISION *	MDHHS Other	TOTAL MDHHS	MDEQ PRIVATE & TYPE III WATER SUPPLY	MDEQ ON-SITE WASTEWATER TREATMENT	TOTAL MDEQ	TOTAL ELPHS
Allegan County Health Department	99,427.00	41,687.00	41,686.00	137,445.00	220,818.00	81,178.00	103,320.00	184,498.00	504,743.00
Barry Eaton District Health Department	150,992.00	45,965.00	45,965.00	149,227.00	241,157.00	221,234.00	212,558.00	433,792.00	825,941.00
Bay County Health Department	102,827.00	28,775.00	28,774.00	97,851.00	155,400.00	21,693.00	76,915.00	98,608.00	356,835.00
Benzie-Leelanau District Health Department	46,936.00	14,801.00	14,800.00	10,078.00	39,679.00	82,742.00	105,309.00	188,051.00	274,666.00
Berrien County Health Department	175,986.00	45,318.00	45,317.00	240,442.00	331,077.00	100,195.00	64,059.00	164,254.00	671,317.00
Branch/Hillsdale/St. Joseph Community Health Agency	147,783.00	48,509.00	48,509.00	459,795.00	556,813.00	162,757.00	182,499.00	345,256.00	1,049,852.00
Calhoun County Health Department	206,506.00	35,388.00	35,387.00	276,963.00	347,738.00	66,921.00	104,673.00	171,594.00	725,838.00
Central Michigan District Health Department	246,455.00	48,314.00	48,314.00	150,048.00	246,676.00	309,798.00	462,401.00	772,199.00	1,265,330.00
Chippewa County Health Department	50,238.00	26,205.00	26,204.00	132,869.00	185,278.00	40,175.00	68,403.00	108,578.00	344,094.00
City of Detroit Department of Health and Wellness	607,074.00	173,947.00	173,947.00	2,514,357.00	2,862,251.00	-	-	-	3,469,325.00
Dickinson-Iron District Health Department	63,606.00	14,474.00	14,473.00	45,247.00	74,194.00	24,938.00	69,090.00	94,028.00	231,828.00
District Health Department #10	243,354.00	70,808.00	70,808.00	456,153.00	597,769.00	301,296.00	256,656.00	557,952.00	1,399,075.00
District Health Department #2	85,262.00	20,355.00	20,354.00	98,743.00	139,452.00	80,016.00	125,154.00	205,170.00	429,884.00
District Health Department #4	90,593.00	24,186.00	24,185.00	45,940.00	94,311.00	185,068.00	172,358.00	357,426.00	542,330.00
Genesee County Health Department	518,758.00	106,562.00	106,562.00	761,128.00	974,252.00	139,502.00	296,442.00	435,944.00	1,928,954.00
Grand Traverse County Health Department	96,456.00	27,847.00	27,846.00	74,286.00	129,979.00	100,177.00	130,129.00	230,306.00	456,741.00
Health Department of Northwest Michigan	224,267.00	32,551.00	32,550.00	77,069.00	142,170.00	141,092.00	241,322.00	382,414.00	748,851.00
Huron County Health Department	39,765.00	22,140.00	22,139.00	70,423.00	114,702.00	47,739.00	56,041.00	103,780.00	258,247.00
Ingham County Health Department	242,740.00	67,809.00	67,808.00	1,041,852.00	1,177,469.00	53,583.00	108,792.00	162,375.00	1,582,584.00
Ionia County Health Department	61,592.00	23,429.00	23,428.00	41,178.00	88,035.00	20,283.00	60,853.00	81,136.00	230,763.00
Jackson County Health Department	137,977.00	42,096.00	42,095.00	193,348.00	277,539.00	92,093.00	108,107.00	200,200.00	615,716.00
Kalamazoo County Health and Community Services Department	337,432.00	62,143.00	62,142.00	681,979.00	806,264.00	145,365.00	111,821.00	257,186.00	1,400,882.00
Kent County Health Department	296,772.00	170,383.00	170,382.00	980,479.00	1,321,244.00	168,184.00	205,559.00	373,743.00	1,991,759.00
Lapeer County Health Department	88,620.00	27,477.00	27,476.00	183,830.00	238,783.00	28,328.00	28,328.00	56,656.00	384,059.00
Lenawee County Health Department	119,469.00	31,919.00	31,918.00	50,356.00	114,193.00	127,551.00	104,360.00	231,911.00	465,573.00
Livingston County Department of Public Health	137,749.00	40,187.00	40,187.00	101,147.00	181,521.00	150,980.00	148,612.00	299,592.00	618,862.00
Luce-Mackinac-Alger-Schoolcraft DHD	140,556.00	16,645.00	16,644.00	85,276.00	118,565.00	62,689.00	76,624.00	139,313.00	398,434.00
Macomb County Health Department	634,106.00	178,114.00	178,113.00	1,142,944.00	1,499,171.00	23,235.00	347,539.00	370,774.00	2,504,051.00
Marquette County Health Department	60,144.00	22,811.00	22,810.00	132,595.00	178,216.00	25,487.00	68,170.00	93,657.00	332,017.00

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES ESSENTIAL LOCAL PUBLIC HEALTH SERVICES (ELPHS) FUNDING									
FY 2019 Appropriation Amended									
	MDARD FOOD	MDHHS HEARING *	MDHHS VISION *	MDHHS Other	TOTAL MDHHS	MDEQ PRIVATE & TYPE III WATER SUPPLY	MDEQ ON-SITE WASTEWATER TREATMENT	TOTAL MDEQ	TOTAL ELPHS
Midland County Health Department	77,450.00	21,692.00	21,691.00	323,264.00	366,647.00	41,289.00	119,761.00	161,050.00	605,147.00
Mid-Michigan District Health Department	190,205.00	49,235.00	49,235.00	258,741.00	357,211.00	127,289.00	198,393.00	325,682.00	873,098.00
Monroe County Health Department	89,270.00	39,930.00	39,929.00	343,709.00	423,568.00	45,864.00	103,055.00	148,919.00	661,757.00
Muskegon County Health Department	115,405.00	49,821.00	49,820.00	520,109.00	619,750.00	103,969.00	55,984.00	159,953.00	895,108.00
Oakland County Department of Health and Human Services/ Health Division	954,477.00	253,969.00	253,968.00	2,557,216.00	3,065,153.00	571,324.00	413,718.00	985,042.00	5,004,672.00
Ottawa County Health Department	159,374.00	67,878.00	67,878.00	606,704.00	742,460.00	128,758.00	219,238.00	347,996.00	1,249,830.00
Public Health, Delta & Menominee Counties	59,087.00	21,848.00	21,847.00	152,258.00	195,953.00	40,696.00	99,633.00	140,329.00	395,369.00
Saginaw County Health Department	297,502.00	52,619.00	52,619.00	486,739.00	591,977.00	40,448.00	121,341.00	161,789.00	1,051,268.00
Sanilac County Health Department	71,631.00	23,972.00	23,971.00	110,142.00	158,085.00	24,074.00	33,242.00	57,316.00	287,032.00
Shiawassee County Health Department	82,146.00	24,789.00	24,789.00	89,670.00	139,248.00	35,893.00	58,931.00	94,824.00	316,218.00
St. Clair County Health Department	186,725.00	45,605.00	45,605.00	182,079.00	273,289.00	60,878.00	215,687.00	276,565.00	736,579.00
Tuscola County Health Department	47,629.00	27,989.00	27,989.00	142,622.00	198,600.00	2,826.00	8,574.00	11,400.00	257,629.00
Van Buren-Cass County District Health Department	112,097.00	46,009.00	46,009.00	395,809.00	487,827.00	5,860.00	11,897.00	17,757.00	617,681.00
Washtenaw County Public Health Department	310,470.00	69,653.00	69,653.00	388,425.00	527,731.00	100,103.00	381,485.00	481,588.00	1,319,789.00
Wayne County Health Department	1,232,148.00	266,126.00	266,125.00	1,742,284.00	2,274,535.00	9,987.00	80,798.00	90,785.00	3,597,468.00
Western Upper Peninsula Health Department	118,384.00	23,082.00	23,081.00	240,908.00	287,071.00	-	61,083.00	61,083.00	466,538.00
TOTAL-Local Health Department ELPHS	9,557,442	2,595,062	2,595,032	18,973,727	24,163,821	4,343,557	6,278,914	10,622,471	44,343,734
WSU-Detroit TB				575,564	575,564				575,564
WSU- STD and HIV Prevention				500,000	500,000				500,000
TOTAL Other ELPHS Detroit Agreements	-	-	-	1,075,564	1,075,564	-	-	-	1,075,564
	9,557,442	2,595,062	2,595,032	20,049,291	25,239,385	4,343,557	6,278,914	10,622,471	45,419,298

MDHHS Other includes Immunizations, General Communicable Disease, and Sexually Transmitted Disease ELPHS programs

Funding Recommendations

1. Demonstration of Proposed Formula Factors

The workgroup concluded that state 50-50 cost share for the mandated Essential Local Public Health Services is not being met. The state currently is funding local health departments at approximately 25-30% of their costs. To maintain ELPHS at the same service level as in FY 2003 would require an additional \$16 Million. To meet the 50-50 cost share, it would require an additional \$36 Million.

The workgroup recommends the Legislature meet the statutory 50-50 cost share requirement. The workgroup also recommends a formula for the appropriate distribution of ELPHS funds based on the cost of maintenance of such programs. The workgroup believes that this new formula will be more equitable across local health departments, as opposed to the current distribution method.

There is a resource base amount of funding necessary for local health departments to operate and to respond to unforeseen emergencies. The base described in the proposed funding formulas do not represent the actual costs to operate programs. While appreciated, funding supplementals are not a sustainable way to maintain public health infrastructure. There is an opportunity cost to responding to emerging health threats if time and effort must be consumed to obtain funds sufficient to respond to a Per- and Polyfluoroalkyl Substances (PFAS) situation or hepatitis A outbreak. Base funding would not completely eliminate the need for occasional additional funds for new, unforeseen threats, but would contribute to response readiness.

Other factors to consider for base funding include:

- Actual administrative costs to implement ELPHS to consistently meet Minimum Program Requirements; such as but not limited to training of staff in food standardization or Registered Environmental Health Specialist (REHS)/ Registered Sanitarian (RS) credentials needed for certain on-site plan review and approval;
- Dramatic changes in public health needs and associated costs since 1992, including but not limited to environmental health threats, emergency management of epidemics (H1N1, hepatitis A), treating and preventing chronic disease, and efforts to reduce infant mortality;
- The importance of historical societal inequities, poverty, and issues such as lack of education, transportation, sufficient food and housing in determining the health of a population. Resources should be aligned to provide greater support for these populations;
- Geographical concerns for multi-county District Health Departments (maintenance of multiple sites across substantial distances to effectively reach residents);
- Costs to respond to expanded public health challenges that were not components of the ELPHS when cost-sharing was first implemented. Examples include increased number of required vaccines for school and day-care entry, antimicrobial resistant gonorrhea and unregulated contaminants in groundwater.

- Health Officers or other staff are performing multiple duties, such as a single person acting as both Health Officer and Environmental Health Director, or Health Officer and Financial Administrator and Nursing Director. This is not sustainable in the long term.

Failure to adequately support Essential Local Public Health Services may result in increased vulnerability of the residents of Michigan to public health threats. The Essential Local Public Health Services funding was established to protect citizens from infectious diseases, contaminated drinking water and barriers for children to benefit from education. Without these protections the state and counties are vulnerable to the financial and personal costs of such threats. The recent outbreaks of hepatitis A and measles in the state are examples of such threats to the public's health and the budgetary impact that control, prevention and mitigation can have.

Essential Local Public Health Proposed Formulas

The group discussed the factors that should be included in the formula, and then prioritized those factors. State agencies agreed that funds will be disbursed as a block grant to local public health to meet the intended flexibility to address local health department needs. Simplicity of the formula was also agreed upon. All formulas will include a base funding amount to assist with maintenance of essential services.

MDHHS Proposed Formula

The workgroup proposed a formula based upon 10 percent base funding, 50 percent population size, and 40 percent poverty index.

- Based on the new formula, if enacted today without additional ELPHS appropriations, 17 local health departments would lose funding. The amount of loss would range from \$8,725 to \$763,914.
- The amount required to hold all local health departments harmless if these changes to the formula are adopted is \$2.4 million.

MDEQ Proposed Formula

The workgroup proposed combining the two separate allocation funding streams for Private & Type III Water Supply and Onsite Wastewater Treatment Management into one amount to allow for additional flexibility and ease of administration.

The proposed combined formula is to be built upon a base funding amount of \$75,000 for each local health department plus dividing the remaining funding balance through weighting by number of permits for private wells, Type III Public Wells and permits for residential and commercial onsite wastewater systems (under 10,000 gallons/day) within the jurisdiction. Using the current FY 2019 funding allocation for both MDEQ Programs creates a minimum Unit Price of \$237.60 per permit. This Unit Price will fluctuate with the number of permits issued and could be recalculated for redistribution of the MDEQ funding allocation on a periodic basis.

- Based on the new formula, if enacted today without additional ELPHS appropriations, 18 local health departments would lose funding. The amount of loss would range from \$8,444 to \$529,407 per local health department.

- Hold Harmless requires an additional \$2 Million.

Both environmental health programs are more than permitting. Education, complaint investigation, and ongoing monitoring for contaminants are essential elements. The downside to this formula is that as development and the economy increases and the economy improves, so do the number of permits. That in turn, will decrease the unit price if additional money is not added when formulas are reassessed.

MDARD Proposed Formula

The proposed formula changes for Food Sanitation Services would include a minimum per unit price of \$267 and a minimum base funding of \$100,000.

- Based on the new formula, if enacted today without additional ELPHS appropriations, 24 local health departments would lose funding. The amount of loss would range from \$495 to \$338,844.
- To hold harmless would require a \$100,000 base funding for the 13 smaller local health departments and would provide a minimum per unit price of \$267 for the remaining 32 local health departments. The would require an additional \$1.5 Million above current FY 2019 LHD funding levels.

Recommendations

1. Funds should be disbursed as a block grant to local public health to meet the intended flexibility to address local health department needs.
2. The workgroup recommends that the Legislature meet the statutory 50-50 cost share requirement while implementing the revised funding formula outlined in the report. To meet the 50-50 cost share, it would require an additional \$36 Million.
3. If the above recommendation is not met at a minimum, the Legislature should hold harmless all local health departments when implementing the revised funding formula, which would require an increased appropriation of approximately \$6 to \$8 Million.
4. If the Legislature will not provide the additional funds as proposed in options 2 or 3, the workgroup strongly recommends making no changes to Essential Local Public Health Services funding at the present time.

Conclusion

As of FY 2017, Michigan provided the 9th lowest state funding⁵ for public health in the United States. Given the opportunities to improve Michigan's public health system, and the challenges inherent in providing even minimal services through ELPHS programming, it is incumbent upon the State of Michigan to increase funding to protect the public's health, preferably by meeting the state-mandated 50-50 cost share for state-mandated Essential Local Public Health Services.

⁵ Citizens Research Council. "An Ounce of Prevention: What Public Health Means for Michigan." August 2018. Page 17. https://crcmich.org/PUBLICAT/2010s/2018/rpt403_public_health.pdf

MDHHS Comprehensive Agreement (previously known as the CPPC)

This agreement with each local health department in Michigan is their primary form of funding. It is currently made up of two different funding streams:

1. ELPHS (Essential Local Public Health Services) – is a core set of legislatively mandated basic public health services that all local health departments in Michigan must provide. The core mandated services are the minimum requirement for all health departments in the state. According to the Michigan Public Health Code (P.A. 368 of 1978 as amended) the state is required to fund 50% of these basic services and the governing entities of the local health departments are required to fund the other 50%. The core services are:
 - Infectious Disease Control
 - Sexually Transmitted Disease Control and Prevention
 - Immunizations
 - Hearing and Vision Screening Services
 - Public Water Supply/Private Groundwater
 - Onsite Wastewater Treatment
 - Food Protection
2. Various Individual Program Grants – Many of these program grants are funded through either federal funds or a mixture of federal and state funds. Sometimes the program is funded entirely through state funds and may be for a limited time period. Some examples of these program grants are:
 - WIC – Women, Infant and Child Supplemental Nutrition Program
 - Title V MCH Block Grant (Maternal and Child Health, see definition below)
 - CSHCS (Children’s Special Healthcare Services)
 - PHEP (Public Health Emergency Preparedness)

Definition of Title V MCH Block Grant

Title V was authorized by legislation in 1935 through the Social Security Act. The federal government uses a formula to determine the grant amount. They base it on the state’s population size and need.

The legislation authorizing the Title V MCH Block Grant is broad, encompassing a wide array of direct services to individuals and population-based programs that serve

everyone in a community. As a “block grant,” states and territories program their MCH investments to meet their specific needs. Through a thorough process that identifies all potential MCH priorities, states and territories conduct surveys and analyze data to determine where they can have the most impact and need the most resources to address MCH problems and challenges. Every year states and territories submit an application to the Maternal and Child Health Bureau (MCHB) of the Health Resources and Services Administration (HRSA) for MCH funding.

U.S. states and jurisdictions must match every \$4 of federal Title V money they receive with at least \$3 of their own.

Public Health Emerging Threats Grants

Emerging Threats Grants (separate contract from Comprehensive Agreement) - funding for new emerging public health threats that can be allocated at any time, regardless of the Comprehensive Agreement amendment cycle if a new potential health threat is recognized (i.e., measles, monkey pox, Ebola, pandemic, arsenic, etc.).

LOCAL COMMUNITY STABILIZATION AUTHORITY ACT Act 86 of 2014

AN ACT to create a metropolitan authority; to prescribe the powers, duties, and jurisdictions of the metropolitan authority; to prescribe the powers and duties of certain state officials; to levy, collect, and distribute a tax; and to repeal acts and parts of acts.

History: 2014, Act 86, Eff. Aug. 22, 2014.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.
2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.
3. Increase portion of state use tax dedicated for aid to local school districts.
4. Prohibit Authority from increasing taxes.
5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES []

NO []".

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

The People of the State of Michigan enact:

123.1341 Short title.

Sec. 1. This act shall be known and may be cited as the "local community stabilization authority act".

History: 2014, Act 86, Eff. Aug. 22, 2014.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.
2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.
3. Increase portion of state use tax dedicated for aid to local school districts.
4. Prohibit Authority from increasing taxes.
5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES []

NO []".

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

123.1343 Legislative findings; declarations; purpose of act.

Sec. 3. (1) The legislature finds and declares all of the following:

(a) That there exists in this state a continuing need to strengthen and revitalize the economy of this state

and to organize the activities of **local** government in metropolitan areas in a manner that reduces governmental barriers to economic growth, facilitates economic development, helps small businesses grow, preserves communities and strengthens neighborhoods, prevents or reduces unemployment, and creates jobs.

(b) That under section 27 of article VII of the state constitution of 1963, the legislature may establish in metropolitan areas additional forms of government or authorities with power, duties, and jurisdictions as the legislature shall provide.

(c) That it is necessary and appropriate for the promotion of the health, safety, and welfare of the people of this state to enable the formation of metropolitan governments designed to perform multipurpose functions.

(d) That the formation of a metropolitan government under this act and the powers conferred by this act constitute a necessary program and serve a necessary public purpose.

(2) The purpose of this act is to do all of the following:

(a) Establish an authority to perform multipurpose functions in the metropolitan areas of this state.

(b) Promote the public health, safety, welfare, convenience, and prosperity of this state and its metropolitan areas.

(c) Modernize the tax system to help small businesses grow and create jobs in this state.

(d) Dedicate revenue for local purposes, including, but not limited to, police safety, fire protection, and ambulance emergency services.

History: 2014, Act 86, Eff. Aug. 22, 2014.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS"

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.

2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.

3. Increase portion of state use tax dedicated for aid to local school districts.

4. Prohibit Authority from increasing taxes.

5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES ☐

NO ☐

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

123.1345 Definitions.

Sec. 5. As used in this act:

(a) "Acquisition cost" means that term as defined in section 3 of the state essential services assessment act, 2014 PA 92, MCL 211.1053, multiplied by the following percentages:

(i) For eligible personal property reported to the department and described in section 5(2)(a) of the state essential services assessment act, 2014 PA 92, MCL 211.1055, 100%.

(ii) For eligible personal property reported to the department and described in section 5(2)(b) of the state essential services assessment act, 2014 PA 92, MCL 211.1055, 52.1%.

(iii) For eligible personal property reported to the department and described in section 5(2)(c) of the state essential services assessment act, 2014 PA 92, MCL 211.1055, 37.5%.

(b) "Ambulance services" means patient transport services, nontransport prehospital life support services, and advanced life support, paramedic, and medical first-responder services.

(c) "Authority" means the local community stabilization authority, a metropolitan authority established under section 7.

(d) "Captured value" means 1 or more of the following:

(i) For a tax increment finance authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, captured taxable value as determined in sections 2 and 7 of the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2652 and 125.2657.

(ii) For a tax increment finance authority under part 2 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4201 to 125.4230, captured assessed value as defined in section 201 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4201.

(iii) For a tax increment finance authority under part 3 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4301 to 125.4329, captured assessed value as defined in section 301 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4301.

(iv) For a tax increment finance authority under part 4 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4401 to 125.4420, captured assessed value as defined in section 402 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4402.

(v) For a tax increment finance authority under part 6 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4602 to 125.4629, captured assessed value as defined in section 602 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4602.

(vi) For a tax increment finance authority under part 8 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4802 to 125.4821, captured assessed value as defined in section 802 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4802.

(vii) For a tax increment finance authority under part 7 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4702 to 125.4722, captured assessed value as defined in section 702 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4702.

(viii) For a tax increment finance authority under part 5 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4503 to 125.4527, captured assessed value as defined in section 523 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4523.

(e) "Commercial personal property" means, except as otherwise provided in subparagraph (iii), all of the following:

(i) Personal property classified as commercial personal property under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c.

(ii) Personal property subject to the industrial facilities tax under section 14(1) or (4) of 1974 PA 198, MCL 207.564, that is sited on land classified as commercial real property under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c.

(iii) Commercial personal property does not include personal property that after 2012 was classified in the municipality where it is currently located as real property or utility personal property.

(f) "Council" means the council established for the authority under section 9.

(g) "Debt loss" means, for a municipality that is not a local school district, intermediate school district, or tax increment finance authority, the amount of ad valorem property taxes and any specific tax levied for the payment of principal and interest of obligations either approved by the voters before January 1, 2013 or incurred before January 1, 2013 pledging the unlimited or limited taxing power of the municipality that are lost as a result of the exemption of industrial personal property and commercial personal property under sections 9m, 9n, and 9o of the general property tax act, 1893 PA 206, MCL 211.9m, 211.9n, and 211.9o.

(h) "Department" means the department of treasury.

(i) "Eligible personal property" means personal property described in section 3(e)(i), (iii), and (iv) of the state essential services assessment act, 2014 PA 92, MCL 211.1053.

(j) "Essential services" means all of the following:

(i) Ambulance services.

(ii) Fire services.

(iii) Police services.

(iv) Jail operations.

(v) The funding of pensions for personnel providing services described in subparagraphs (i) to (iv).

(k) "Fire services" means services in the prevention and suppression of fire, homeland security response, hazardous materials response, rescue, fire marshal, and medical first-responder services.

(l) "Fiscal year" means either an annual period that begins on October 1 and ends on September 30 or the fiscal year for the authority established by the council.

(m) "Increased captured value" means the anticipated increase in captured value for all industrial personal property and commercial personal property in a tax increment finance authority that would have occurred as a result of either the addition of personal property as part of a specific project or the expiration of an exemption under section 7k, 7ff, or 9f of the general property tax act, 1893 PA 206, MCL 211.7k, 211.7ff, and 211.9f, after 2013 if the exemptions under section 9m, 9n, or 9o of the general property tax act, 1893 PA 206, MCL 211.9m, 211.9n, and 211.9o, were not in effect. For calculations made under section 16a prior to calendar year 2018, in order for an anticipated increase in captured value to qualify as increased captured value, the tax increment financing plan must have demonstrated before 2013 that the tax increment finance authority was

relying on this anticipated increase in captured value to pay 1 or more qualified obligations by specifically projecting the anticipated increase in captured value that would be used to pay the qualified obligations and the plan must meet all of the requirements in subdivisions (i) through (vii). For calculations made under section 16a in calendar year 2018 and after, in order for an anticipated increase in captured value related to the expiration of an exemption under section 7k, 7ff, or 9f of the general property tax act, 1893 PA 206, MCL 211.7k, 211.7ff, and 211.9f, after 2013 if the exemptions under section 9m, 9n, or 9o of the general property tax act, 1893 PA 206, MCL 211.9m, 211.9n, and 211.9o, were not in effect, to qualify as increased captured value, the tax increment finance authority or the municipality in which the authority is located must have documentation demonstrating that before or during 2013 the tax increment finance authority was relying on this increase in captured value to pay 1 or more qualified obligations. For calculations made under section 16a in calendar year 2018 and after, in order for an anticipated increase in captured value related to the addition of personal property as part of a specific project to qualify as increased captured value, the tax increment financing plan must have demonstrated before 2013 that the tax increment finance authority was relying on this increase in captured value to pay 1 or more qualified obligations by specifically projecting the anticipated increase in captured value that would be used to pay the qualified obligations and the plan must meet all of the following:

(i) The tax increment financing plan was fully approved by the governing body of the applicable local government not later than December 31, 2012. This does not prevent subsequent amendment to the tax increment financing plan, provided the amendment does not change the amount of any obligation under the plan, the scope of the project or projects described in the plan, or the time needed to repay any obligation.

(ii) If the tax increment financing plan is part of a brownfield plan under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670, any needed work plans were also approved by the appropriate state agencies not later than December 31, 2012. This does not prevent subsequent amendment to a work plan, provided the amendment does not change the amount of any obligation under the plan, the scope of the project or projects described in the plan, or the time needed to repay any obligation.

(iii) The tax increment financing plan identifies a particular site owner and site occupant that is engaged in industrial processing or direct integrated support, as defined in section 9m of the general property tax act, 1893 PA 206, MCL 211.9m. This does not preclude a change in the site owner or occupant, provided that change in the site owner or occupant did not result from a financial difficulty encountered during the construction and installation of the project and provided change in the site owner or occupant will not result in any change in the project.

(iv) The tax increment financing plan identifies a particular project on a specific parcel and that project includes the addition of particular personal property that is eligible manufacturing personal property, as defined in section 9m of the general property tax act, 1893 PA 206, MCL 211.9m, that is also identified in the tax increment financing plan.

(v) The personal property that is eligible manufacturing personal property, as defined in section 9m of the general property tax act, 1893 PA 206, MCL 211.9m, and is identified in the tax increment financing plan comprises not less than 20% of the true cash value of the improvements to be made as part of the specific project identified in the tax increment financing plan.

(vi) Before December 31, 2012, the specific project identified in the tax increment financing plan had obtained all necessary local zoning approvals, including any necessary rezoning, special land use, and site plan approvals for that project.

(vii) Before December 31, 2012, orders had been placed and significant investments made in the personal property that is eligible manufacturing personal property, as defined in section 9m of the general property tax act, 1893 PA 206, MCL 211.9m, to be located on the site.

(n) "Increased value from expired tax exemptions" means the increase in taxable value subject to tax of industrial personal property and commercial personal property placed in service before 2013 that would have occurred after 2013 if the exemptions under section 9m or 9n of the general property tax act, 1893 PA 206, MCL 211.9m and 211.9n, were not in effect as a result of the expiration of an exemption under section 7k, 7ff, or 9f of the general property tax act, 1893 PA 206, MCL 211.7k, 211.7ff, and 211.9f, that had been in effect in 2013, assuming an exemption under section 7k of the general property tax act, 1893 PA 206, MCL 211.7k, was not extended under section 11a of 1974 PA 198, MCL 207.561a, and an exemption under section 9f of the general property tax act, 1893 PA 206, MCL 211.9f, was not extended under section 9f(8) of the general property tax act, 1893 PA 206, MCL 211.9f.

(o) "Industrial personal property" means, except as otherwise provided in subparagraph (iii), all of the following:

(i) Personal property classified as industrial personal property under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c.

(ii) Personal property subject to the industrial facilities tax under section 14(1) or (4) of 1974 PA 198, MCL 207.564, that is sited on land classified as industrial real property under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c.

(iii) Industrial personal property does not include personal property that after 2012 was classified in the municipality where it is currently located as real property or utility personal property.

(p) "Jail operations" means all of the following:

(i) The operation of a jail, holding cell, holding center, or lockup as those terms are defined in section 62 of the corrections code of 1953, 1953 PA 232, MCL 791.262.

(ii) The operation of a juvenile detention facility by a county juvenile agency as authorized under section 7 of the county juvenile agency act, 1998 PA 518, MCL 45.627.

(q) "Local authority" means any authority, excluding an authority created under this act or a tax increment finance authority.

(r) "Local community stabilization share" means that portion of the use tax levied by the authority and authorized under the use tax act, 1937 PA 94, MCL 205.91 to 205.111.

(s) "Municipality" includes, but is not limited to, the following:

(i) Counties.

(ii) Cities.

(iii) Villages.

(iv) Townships.

(v) Local authorities.

(vi) Local school districts.

(vii) Intermediate school districts.

(viii) Community college districts.

(ix) Libraries.

(x) Tax increment finance authorities.

(xi) Other local and intergovernmental taxing units.

(t) "Personal property exemption loss" means 1 of the following:

(i) For a municipality that is not a local school district, intermediate school district, or tax increment finance authority, the 2013 taxable value of commercial personal property and industrial personal property minus the current year taxable value of commercial personal property and industrial personal property and minus the small taxpayer exemption loss if, for years after 2017, the small taxpayer exemption loss is greater than zero. For calendar years 2016 and 2017, the 2013 taxable values of commercial personal property and industrial personal property are the values reported under section 13(3) by the county equalization director in 2016 and 2017, respectively, except as provided in section 14. Beginning for calendar year 2018, the 2013 taxable values of commercial personal property and industrial personal property are the values reported under section 13(3) by the county equalization director in calendar year 2015. The calculation under this subparagraph must be modified for municipality boundary changes to the extent that the boundary changes affect the property taxes levied by the municipality. For millages from which renaissance zone property is exempt, the calculation under this subparagraph must be adjusted to exclude the taxable values of commercial personal property and industrial personal property exempt under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

(ii) For a municipality that is a local school district, intermediate school district, or tax increment finance authority, the 2013 taxable value of commercial personal property and industrial personal property minus the current year taxable value of commercial personal property and industrial personal property. For calendar years 2016 and 2017, the 2013 taxable values of commercial personal property and industrial personal property are the values reported under section 13(3) by the county equalization director in 2016 and 2017, respectively, except as provided in sections 15, 16, and 16a. Beginning for calendar year 2018, the 2013 taxable values of commercial personal property and industrial personal property are the values reported under section 13(3) by the county equalization director in calendar year 2015. The calculation under this subparagraph must be modified for municipality boundary changes to the extent that the boundary changes affect the property taxes levied by the municipality. For millages from which renaissance zone property is exempt, the calculation under this subparagraph must be adjusted to exclude the taxable values of commercial personal property and industrial personal property exempt under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

(u) "Police services" means law enforcement services for the prevention and detection of crime, the enforcement of laws and ordinances, homeland security response, and medical first-responder services.

(v) "Qualified loss" means the amounts calculated under section 14(1) that are not distributed to the municipality under section 17(4)(a). The qualified loss cannot be less than zero.

(w) "Qualified obligation" means a written promise to pay by a tax increment finance authority, whether evidenced by a contract, agreement, lease, sublease, bond, resolution promising repayment of an advance, or note, or a requirement to pay imposed by law. A qualified obligation does not include a payment required solely because of default upon an obligation, employee salary, or consideration paid for the use of municipal offices. A qualified obligation does not include bonds that have been economically defeased by refunding.

(x) "Qualified school debt millage rate" means the following:

(i) For calendar years before calendar year 2018, the millage rate specifically levied by the local school district or intermediate school district in the current year for the payment of principal and interest of obligations approved by the electors before January 1, 2013 or obligations pledging the unlimited taxing power of a local school district or intermediate school district incurred before January 1, 2013.

(ii) For calendar years 2018 and 2019, and for calendar years after 2020, either the millage rate described in sub-subparagraph (A), if a local school district or intermediate school district has elected to use the millage rate described in sub-subparagraph (A) and subparagraph (iii)(A) in the current year and all prior years after 2017 and has reported the millage rate described in sub-subparagraph (A) and subparagraph (iii)(A) to the department under section 13(4) in the current year and all prior years after 2017, or the total of all debt millage rates prescribed in sub-subparagraph (B), if the local school district or intermediate school district has not elected to use the millage rate described in sub-subparagraph (A) and subparagraph (iii)(A) in the current year and all prior years after 2017 or has not reported the millage rate described in sub-subparagraph (A) and subparagraph (iii)(A) to the department under section 13(4) in the current year and all prior years after 2017:

(A) The millage rate specifically levied by the local school district or intermediate school district in the current year for the payment of principal and interest of obligations approved by the electors before January 1, 2015 or obligations pledging the unlimited taxing power of a local school district or intermediate school district incurred before January 1, 2015.

(B) The lesser of the following:

(I) The highest total of all debt millage rates levied by the local school district or intermediate school district in a single year for the period 2012 through 2014.

(II) The total of all debt millage rates levied by the local school district or intermediate school district in the year immediately preceding the current calendar year.

(iii) For calendar year 2020 only, either the millage rate described in sub-subparagraph (A), if a local school district or intermediate school district has elected to use the millage rate described in subparagraph (ii)(A) in calendar years 2018 and 2019 and has elected to use the millage rate described in sub-subparagraph (A) in the current year and has reported under subparagraph (ii)(A) to the department under section 13(4) in calendar years 2018 and 2019 and has reported under sub-subparagraph (A) to the department under section 13(4) in the current year, or the total of all debt millage rates described in sub-subparagraph (B), if the local school district or intermediate school district has not elected to use the millage rate described in subparagraph (ii)(A) in calendar years 2018 and 2019 or has not elected to use the millage rate described in sub-subparagraph (A) in the current year or has not reported under subparagraph (ii)(A) to the department under section 13(4) in calendar years 2018 and 2019 or has not reported under sub-subparagraph (A) to the department under section 13(4) in the current year:

(A) The millage rate specifically levied by the local school district or intermediate school district in the current year for the payment of principal and interest of obligations approved by the electors before January 1, 2013 or obligations pledging the unlimited taxing power of a local school district or intermediate school district incurred before January 1, 2013.

(B) The lesser of the following:

(I) The highest total of all debt millage rates levied by the local school district or intermediate school district in a single year for the period 2012 through 2014.

(II) The total of all debt millage rates levied by the local school district or intermediate school district in the year immediately preceding the current calendar year.

(y) "School operating loss not reimbursed by the school aid fund" means the amount of revenue lost from ad valorem property taxes levied under section 1211 of the revised school code, 1976 PA 451, MCL 380.1211, as a result of the exemption of industrial personal property and commercial personal property under sections 9m, 9n, and 9o of the general property tax act, 1893 PA 206, MCL 211.9m, 211.9n, and 211.9o, for mills other than basic school operating mills, as that term is defined in section 2c of the use tax act, 1937 PA 94, MCL 205.92c.

(z) "Small taxpayer exemption loss" means 1 of the following:

(i) For a municipality, the 2013 taxable value of commercial personal property and industrial personal property minus the 2014 taxable value of commercial personal property and industrial personal property. For the 2014 calendar year, the 2013 and 2014 taxable values of commercial personal property and industrial

personal property are the values reported under section 13(2) by the county equalization director in calendar year 2014. For the 2015, 2016, and 2018 calendar years and subsequent calendar years, the 2013 and 2014 taxable values of commercial personal property and industrial personal property are the values reported under section 13(3) by the county equalization director in calendar year 2015. For the 2017 calendar year, the 2013 and 2014 taxable values of commercial personal property and industrial personal property are the values reported under section 13(3) by the county equalization director in calendar year 2015, except as provided in section 14. The calculation under this subparagraph must be modified for municipality boundary changes to the extent that the boundary changes affect the property taxes levied by the municipality. For millages from which renaissance zone property is exempt, the calculation under this subparagraph must be adjusted to exclude the taxable value of commercial personal property and industrial personal property exempt under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

(ii) For the 2015 calendar year and subsequent calendar years, for a municipality, the greater of the amount calculated under subparagraph (i) and the 2013 taxable value of commercial personal property and industrial personal property minus the 2015 taxable value of commercial personal property and industrial personal property. For the 2015, 2016, and 2018 calendar years and subsequent calendar years, the 2013 and 2015 taxable values of commercial personal property and industrial personal property are the values reported under section 13(3) by the county equalization director in calendar year 2015. For the 2017 calendar year, the 2013 and 2015 taxable values of commercial personal property and industrial personal property are the values reported under section 13(3) by the county equalization director in calendar year 2015, except as provided in section 14. The calculation under this subparagraph must be modified for municipality boundary changes to the extent that the boundary changes affect the property taxes levied by the municipality. For millages from which renaissance zone property is exempt, the calculation under this subparagraph must be adjusted to exclude the taxable value of commercial personal property and industrial personal property exempt under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

(aa) "Specific tax" means a tax levied under 1974 PA 198, MCL 207.551 to 207.572.

(bb) "Tax increment finance authority" means an authority created under 1 or both of the following:

(i) The brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

(ii) The recodified tax increment financing act, 2018 PA 57, MCL 125.4101 to 125.4915.

(cc) "Tax increment small taxpayer loss" means the amount of revenue lost by a municipality that is a tax increment finance authority due to the exemption provided by section 9o of the general property tax act, 1893 PA 206, MCL 211.9o.

(dd) "Taxable value" means all of the following:

(i) Except as otherwise provided in subparagraph (ii), that value determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

(ii) For real or personal property subject to the industrial facilities tax under section 14(3) or (4) of 1974 PA 198, MCL 207.564, 50% of that value determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

(ee) "Total qualified loss" means the total amount of qualified losses of all municipalities, as determined by the department.

(ff) "Utility personal property" means that term as described in section 34c of the general property tax act, 1893 PA 206, MCL 211.34c.

History: 2014, Act 86, Eff. Aug. 22, 2014;—Am. 2015, Act 122, Imd. Eff. July 10, 2015;—Am. 2018, Act 247, Imd. Eff. June 28, 2018;—Am. 2020, Act 194, Imd. Eff. Oct. 15, 2020.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.

2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.

3. Increase portion of state use tax dedicated for aid to local school districts.
4. Prohibit Authority from increasing taxes.
5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES ☐

NO ☐

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

123.1347 Local community stabilization authority; establishment; public body corporate and special authority; property of authority as public property; exemption from taxes and special assessments; presumption of validity; jurisdiction.

Sec. 7. (1) The local community stabilization authority is established as a metropolitan government for the metropolitan areas of this state under section 27 of article VII of the state constitution of 1963. The authority is a public body corporate and a special authority. The authority is not an agency or instrumentality of state government.

(2) The property of the authority is public property devoted to an essential public and governmental purpose. Any income of the authority is for a public and governmental purpose.

(3) Property of the authority and its income, activities, and operations are exempt from all taxes and special assessments of this state or a political subdivision of this state. Property of the authority is exempt from any ad valorem property taxes levied under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155, or other law of this state authorizing the taxation of real or personal property. The authority is an entity of government for purposes of section 4a(1)(a) of the general sales tax act, 1933 PA 167, MCL 205.54a, and section 4(1)(h) of the use tax act, 1937 PA 94, MCL 205.94.

(4) The validity of the creation of the authority is presumed unless held invalid by the court of appeals in an original action filed in the court of appeals not later than 60 days after the establishment of the authority under this section. The court of appeals has original jurisdiction to hear an action under this subsection. The court shall hear the action in an expedited manner.

History: 2014, Act 86, Eff. Aug. 22, 2014.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.

2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.

3. Increase portion of state use tax dedicated for aid to local school districts.

4. Prohibit Authority from increasing taxes.

5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES ☐

NO ☐

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

123.1349 Authority council; establishment as governing body; membership; appointment; terms; vacancy; chairperson; oath of office; compensation; reimbursement for travel and expenses; discharge of duties; meeting; election of officers; conduct of business at public meeting; special meeting; availability of records to public; system of accounts; annual audit; budget; procurement policy; members as public servants; ethics manual; conflict of interest; removal from office.

Sec. 9. (1) The authority council is established as the governing body of the authority. The powers, duties, functions, and responsibilities of the authority are vested in the council. The council shall consist of 5 residents of this state appointed by the governor. Not less than 3 members of the council shall be residents of

Rendered Thursday, April 20, 2023

Page 8

Michigan Compiled Laws Complete Through PA 19 of 2023

©

Courtesy of www.legislature.mi.gov

separate metropolitan areas within this state. An officer or employee of this state may not serve as a member of the council.

(2) Of the members of the council initially appointed by the governor, 1 member shall be appointed for an initial term of 5 years, 1 member shall be appointed for an initial term of 4 years, 1 member shall be appointed for an initial term of 3 years, 1 member shall be appointed for an initial term of 2 years, and 1 member shall be appointed for an initial term of 1 year. After the initial appointments, a member of the council shall be appointed for a term of 6 years. If a vacancy on the council occurs other than by expiration of a term, the vacancy shall be filled in the same manner as the original appointment for the balance of the unexpired term. A member of the council may continue to serve until a successor is appointed and qualified. The governor shall designate a member of the council to serve as its chairperson at the pleasure of the governor.

(3) An individual appointed as a member of the council shall take the oath of office as provided under section 1 of article XI of the state constitution of 1963.

(4) A member of the council shall serve without compensation but may be reimbursed by the authority for necessary travel and expenses to the extent not prohibited by law and consistent with a reimbursement policy adopted by the council.

(5) A member of the council shall discharge the duties of his or her position in a nonpartisan manner, in good faith, and with the degree of diligence, care, and skill that an ordinarily prudent person would exercise under similar circumstances in a like position. In discharging his or her duties, a member of the council, when acting in good faith, may rely upon any of the following:

(a) The opinion of legal counsel for the authority.

(b) The report of an independent appraiser selected by the council.

(c) Financial statements of the authority represented to the member of the council to be correct by the officer of the authority having charge of its books of account or stated in a written report by an auditor or a certified public accountant, or a firm of certified accountants, to reflect the financial condition of the authority.

(6) Within not more than 30 days following appointment of the initial members of the council, the council shall hold its first meeting at a date and time determined by the chairperson of the council. The council shall elect from among the members of the council an individual to serve as vice-chairperson of the council and secretary of the council and may elect other officers as the council considers necessary. All officers under this subsection shall be elected annually by the council.

(7) The council shall conduct its business at a public meeting held in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. Public notice of the time, date, and place of the meeting shall be given in the manner required by the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. The council shall adopt bylaws consistent with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, governing its procedures and the holding of meetings. After organization, the council shall adopt a schedule of regular meetings and adopt a regular meeting date, place, and time. A special meeting of the council may be called by the chairperson of the council or as provided in bylaws adopted by the council. Notice of a special meeting shall be given in the manner required by the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(8) The council shall keep a written or printed record of each meeting, which record and any other document or record prepared, owned, used, in the possession of, or retained by the authority in the performance of an official function shall be made available to the public in compliance with the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(9) The council shall provide for a system of accounts for the authority to conform to a uniform system required by law and for the auditing of the accounts of the authority. The council shall obtain an annual audit of the authority by an independent certified public accountant and report on the audit and auditing procedures in the manner provided by sections 6 to 13 of the uniform budgeting and accounting act, 1968 PA 2, MCL 141.426 to 141.433. The audit also shall be in accordance with generally accepted government auditing standards.

(10) Before the beginning of each fiscal year, the council shall prepare a budget for the authority containing an itemized statement of the estimated expenses and revenue of the authority from all sources for the next fiscal year. Before final adoption of the budget, the council shall hold a public hearing as required by 1963 (2nd Ex Sess) PA 43, MCL 141.411 to 141.415, and the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. The council shall adopt a budget for the fiscal year in compliance with the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a.

(11) The council shall adopt a procurement policy consistent with the requirements of state law relating to procurement. The procurement policy shall address all of the following:

(a) The purchase of, the contracting for, and the providing of supplies, materials, services, insurance, utilities, third-party financing, equipment, printing, and all other items as needed by the authority to

efficiently and effectively meet the needs of the authority using competitive procurement methods to secure the best value for the authority.

(b) That the council shall make all discretionary decisions concerning the solicitation, award, amendment, cancellation, and appeal of authority contracts.

(c) Control, supervision, management, and oversight of each contract to which the authority is a party.

(d) Monitoring of contracts to assure the contract is being performed in compliance with the terms of the contract and applicable law.

(12) Members of the council are public servants subject to 1968 PA 317, MCL 15.321 to 15.330, and are subject to any other applicable law with respect to conflicts of interest. The council shall establish policies and procedures requiring periodic disclosure of relationships which may give rise to conflicts of interest. The council shall require that a member of the council with a direct interest in any matter before the authority disclose the member's interest before the council takes any action with respect to the matter. The council shall establish an ethics manual for the authority governing authority business and the conduct of authority officers and employees. The authority shall establish policies that are no less stringent than those provided for public officers and employees by 1973 PA 196, MCL 15.341 to 15.348, and coordinate efforts for the authority to preclude the opportunity for and the occurrence of transactions by the authority that would create a conflict of interest involving officers or employees of the authority. At a minimum, the policies shall include compliance by each officer or employee who regularly exercises significant discretion over the award and management of authority procurements with policies governing all of the following:

(a) Immediate disclosure of the existence and nature of any financial interest that could reasonably be expected to create a conflict of interest.

(b) Withdrawal by an officer or employee from participation in or discussion or evaluation of any recommendation or decision involving an authority procurement that would reasonably be expected to create a conflict of interest for that officer or employee.

(13) The governor may remove a member of the council from office for gross neglect of duty, corrupt conduct in office, or any other misfeasance or malfeasance in office.

History: 2014, Act 86, Eff. Aug. 22, 2014.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.

2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.

3. Increase portion of state use tax dedicated for aid to local school districts.

4. Prohibit Authority from increasing taxes.

5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES ☐

NO ☐

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

123.1351 Powers, duties, functions, and responsibilities of authority.

Sec. 11. (1) The authority may exercise all of the following powers, duties, functions, and responsibilities:

(a) Powers, duties, functions, and responsibilities vested in the authority under the use tax act, 1937 PA 94, MCL 205.91 to 205.111.

(b) Exercise the powers, duties, functions, and responsibilities vested in the authority or the metropolitan extension telecommunications rights-of-way oversight authority under this act or the metropolitan extension telecommunications rights-of-way oversight act, 2002 PA 48, MCL 484.3101 to 484.3120, and other laws of this state. The authority may exercise the powers, duties, functions, and responsibilities under this subdivision through a director hired by the authority.

(2) When exercising the powers, duties, functions, and responsibilities vested in the authority under subsection (1), the authority may do 1 or more of the following:

- (a) Establish and maintain an office.
- (b) Adopt, amend, and repeal bylaws for the regulation of its affairs and the conduct of its business.
- (c) Sue and be sued in its own name and plead and be impleaded.
- (d) Solicit, receive, and accept gifts or grants from any public or private source.
- (e) Employ personnel, contract for goods and services, and enter into agreements with other governmental entities.
- (f) Establish 1 or more depositories for authority money and invest authority money under an investment policy consistent with this act and 1943 PA 20, MCL 129.91 to 129.97a.

(g) Acquire, hold, and dispose of interests in property.

(h) Incur indebtedness, but only in the manner and to the extent authorized by law.

(3) The powers, duties, functions, and responsibilities of the authority may be exercised throughout this state, including all the metropolitan areas of this state. The authority possesses the jurisdiction to exercise its functions on a statewide basis and may do other things and take other action necessary or convenient to the exercise of the powers, duties, functions, and responsibilities of the authority under this section if they relate to the purposes and jurisdiction of the authority.

History: 2014, Act 86, Eff. Aug. 22, 2014.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS"

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.
2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.
3. Increase portion of state use tax dedicated for aid to local school districts.
4. Prohibit Authority from increasing taxes.
5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES ☐

NO ☐

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

123.1352 Local community stabilization share; power of authority to levy; limitation; receipt and collection by department; generated money as money of authority.

Sec. 12. (1) The authority has the exclusive power to levy the local community stabilization share under the use tax act, 1937 PA 94, MCL 205.91 to 205.111. The authority is authorized to levy the local community stabilization share under the use tax act, 1937 PA 94, MCL 205.91 to 205.111, and shall levy the local community stabilization share at the rate provided under section 3 of the use tax act, 1937 PA 94, MCL 205.93, but is not authorized to increase the rate of the local community stabilization share. The authority is not authorized to increase any other tax.

(2) The department shall administer under the use tax act, 1937 PA 94, MCL 205.91 to 205.111, the receipt and collection of the local community stabilization share on behalf of the authority as an agent of the authority. The authority may enter into an agreement with the department relating to the receipt and collection of the local community stabilization share and the payment of the authority revenue generated by the local community stabilization share to the authority.

(3) Money generated by the local community stabilization share is money of the authority, not state funds, and shall not be credited to the state treasury as state funds.

History: 2014, Act 86, Eff. Aug. 22, 2014.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the

qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.

2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.

3. Increase portion of state use tax dedicated for aid to local school districts.

4. Prohibit Authority from increasing taxes.

5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES ☐

NO ☐

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

123.1353 Report by city and township assessor to county equalization director; report by county equalization director to department; compilation of municipality's information; calculation of millage rate and debt loss or school debt loss; report of increased value from expired tax exemptions; exclusion of enhancement millage; report of millage for essential services.

Sec. 13. (1) Not later than June 5, 2014, the assessor for each city and township shall report to the county equalization director all of the following:

(a) The 2013 taxable value of commercial personal property and industrial personal property for each municipality in the city or township.

(b) The 2014 taxable value of commercial personal property and industrial personal property for each municipality in the city or township.

(c) The small taxpayer exemption loss for each municipality in the city or township.

(2) Not later than June 20, 2014, the equalization director for each county shall report to the department the information described in subsection (1) for each municipality in the county. For each municipality levying a millage in more than 1 county, the county equalization director responsible for compiling the municipality's taxable value under section 34d of the general property tax act, 1893 PA 206, MCL 211.34d, shall compile the municipality's information described in subsection (1).

(3) Not later than June 5, 2015, June 5, 2016, June 5, 2017, and each May 15 thereafter, the assessor for each city and township shall report to the county equalization director the current year taxable value of commercial personal property and industrial personal property for each municipality in the city or township. Not later than June 20, 2015, the equalization director for each county shall report to the department the 2013, 2014, and 2015 taxable values of commercial personal property and industrial personal property for each municipality in the county. Not later than June 20, 2016, the equalization director for each county shall report to the department the 2013 and 2016 taxable values of commercial personal property and industrial personal property for each municipality in the county. Not later than June 20, 2017, the equalization director for each county shall report to the department the 2013 and 2017 taxable values of commercial personal property and industrial personal property for each municipality in the county. Each May 31 thereafter, the equalization director for each county shall report to the department the current year taxable value of commercial personal property and industrial personal property for each municipality in the county. For calendar years 2015 through 2017, the 2013, 2014, and current year taxable values of commercial personal property and industrial personal property shall be the current taxable values as of the reporting deadline for the county equalization director. For calendar year 2018 and thereafter, the current year taxable value of commercial personal property and industrial personal property shall be the current taxable value on May 10. Not later than June 20, 2015, for each municipality levying a millage in more than 1 county, the county equalization director responsible for compiling the municipality's taxable value under section 34d of the general property tax act, 1893 PA 206, MCL 211.34d, shall compile and report to the department the municipality's 2013, 2014, and 2015 taxable values of commercial personal property and industrial personal property. Not later than June 20, 2016, for each municipality levying a millage in more than 1 county, the county equalization director responsible for

compiling the municipality's taxable values under section 34d of the general property tax act, 1893 PA 206, MCL 211.34d, shall compile and report to the department the municipality's 2013 and 2016 taxable values of commercial personal property and industrial personal property. Not later than June 20, 2017, for each municipality levying a millage in more than 1 county, the county equalization director responsible for compiling the municipality's taxable values under section 34d of the general property tax act, 1893 PA 206, MCL 211.34d, shall compile and report to the department the municipality's 2013 and 2017 taxable values of commercial personal property and industrial personal property. Each June 7 thereafter, for each municipality levying a millage in more than 1 county, the county equalization director responsible for compiling the municipality's taxable value under section 34d of the general property tax act, 1893 PA 206, MCL 211.34d, shall compile and report to the department the municipality's current year taxable value of commercial personal property and industrial personal property.

(4) Not later than August 15, 2014, August 15, 2015, August 15, 2016, and August 15, 2017, each municipality shall report to the department the millage rate levied or to be levied that year for a millage described in section 5(g) or (x) that is used to calculate an appropriation under section 17(1)(a) or a distribution under section 17(4)(a)(i). For 2014 and 2015, the rate of that millage shall be calculated using the sum of the municipality's taxable value and the municipality's small taxpayer exemption loss. For 2016 and 2017, the rate of that millage shall be calculated using the sum of the municipality's taxable value and the municipality's personal property exemption loss. For calendar year 2018 and subsequent years, a local school district and intermediate school district shall reduce its debt millage rate to reflect the payment to be received under section 17(4)(a)(i). By August 1, 2018 and by each August 1 thereafter, a local school district and intermediate school district may report its millage rate calculated under section 5(x)(ii)(A) or (iii)(A) and a local school district shall report the operating mills levied under section 1211 of the revised school code, 1976 PA 451, MCL 380.1211, on industrial personal property as that term is defined in section 1211 of the revised school code, 1976 PA 451, MCL 380.1211, levied or to be levied that year. For 2014 and 2015, the department shall calculate each municipality's debt loss or school debt loss by multiplying the municipality's millage rate reported under this subsection by the municipality's small taxpayer exemption loss. For 2016 and 2017, the department shall calculate each municipality's school debt loss by multiplying the municipality's millage rate reported under this subsection by the municipality's personal property exemption loss. For calendar year 2018 and subsequent years, the department shall calculate the municipality's school debt loss by multiplying the municipality's qualified school debt millage rate by the municipality's personal property exemption loss.

(5) Not later than May 1 of each year, the department shall do the following:

(a) For the 2014, 2015, 2016, and 2017 calendar years' calculations, calculate and make available to each municipality that municipality's sum of the lowest rate of each individual millage levied in the period between 2012 and the year immediately preceding the current year. For a municipality, other than a municipality described in section 14, the calculation shall exclude debt millage and millage levied under section 1211 of the revised school code, 1976 PA 451, MCL 380.1211, on industrial personal property as that term is defined in section 1211 of the revised school code, 1976 PA 451, MCL 380.1211. For an individual millage rate not levied in 1 of the years, the lowest millage rate is zero. A millage used to make the calculations under this act must be levied against both real property and personal property.

(b) For the calendar year 2018 and subsequent years' calculations, for a municipality that is not a local school district or tax increment finance authority:

(i) Calculate each municipality's total millage levied in 2012, 2013, and 2014, respectively.

(ii) Calculate each municipality's eligible millage cap as the highest total millage levied in 2012, 2013, or 2014.

(iii) Calculate each municipality's total millage levied in the year immediately preceding the current year.

(iv) Calculate each individual millage rate for each municipality as follows:

(A) If the eligible millage cap, as calculated under subparagraph (ii), exceeds the total millage levied in the year immediately preceding the current year, as calculated under subparagraph (iii), then use each individual millage levied in the year immediately preceding the current year.

(B) If the total millage levied in the year immediately preceding the current year, as calculated under subparagraph (iii), exceeds the eligible millage cap, as calculated under subparagraph (ii), then prorate each individual millage levied in the year immediately preceding the current year downward to equal the eligible millage cap, as calculated under subparagraph (ii).

(v) For an intermediate school district, the calculations in this subdivision shall exclude debt millage and, for calendar year 2021 and subsequent years, the calculations in this subdivision shall exclude enhancement millage. A millage used to make the calculations under this act must be levied against both real property and personal property.

- (c) For the calendar year 2018 and subsequent years' calculations, for a local school district:
- (i) Calculate each individual millage rate levied by each local school district in 2012, 2013, and 2014, respectively.
 - (ii) Calculate each local school district's eligible millage cap as the highest rate levied in 2012, 2013, or 2014 for each individual millage.
 - (iii) Calculate each individual millage rate for each local school district to be the lesser of the millage cap calculated under subparagraph (ii) and the millage rate levied in the year immediately preceding the current year for that individual millage.
 - (iv) The calculations in this subdivision shall exclude debt millage and operating mills levied under section 1211 of the revised school code, 1976 PA 451, MCL 380.1211, on industrial personal property as that term is defined in section 1211 of the revised school code, 1976 PA 451, MCL 380.1211. A millage used to make the calculations under this act must be levied against both real property and personal property.
- (d) For the calendar year 2021 and subsequent years' calculations, for enhancement millage levied by an intermediate school district:
- (i) Calculate the individual enhancement millage rate levied by each intermediate school district in 2012, 2013, and 2014, respectively.
 - (ii) Calculate each intermediate school district's eligible millage cap as the highest rate levied in 2012, 2013, or 2014 for enhancement millage.
 - (iii) Calculate the individual enhancement millage rate for each intermediate school district to be the lesser of the millage cap calculated under subparagraph (ii) and the millage rate levied in the year immediately preceding the current year for the individual enhancement millage.
 - (iv) A millage used to make the calculations under this act must be levied against both real property and personal property.
- (6) Not later than June 5, 2016, June 5, 2017, June 5, 2018, May 31, 2019, and May 31, 2020, the assessor for each city and township shall report to the department and the county equalization director the increased value from expired tax exemptions for each municipality that is subject to section 14(2) and that levies taxes in the city or township.
- (7) For a millage that is not general operating millage and that is dedicated in part, but not solely, for the cost of essential services, a county, township, village, city, or local authority shall annually report the portion of the rate calculated for that millage under subsection (5) that is dedicated for the cost of essential services. This report shall be submitted to the department, in a form and manner prescribed by the department, by August 1, 2018, and by each August 1 thereafter. If the county, township, village, city, or local authority fails to report to the department by August 1, the department shall determine that the millage is dedicated solely for the cost of essential services.

History: 2014, Act 86, Eff. Aug. 22, 2014;—Am. 2015, Act 122, Imd. Eff. July 10, 2015;—Am. 2018, Act 247, Imd. Eff. June 28, 2018;—Am. 2020, Act 194, Imd. Eff. Oct. 15, 2020.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.
2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.
3. Increase portion of state use tax dedicated for aid to local school districts.
4. Prohibit Authority from increasing taxes.
5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES []

NO []".

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

123.1354 Municipality not local school district, intermediate school district, or tax increment finance authority; municipality that is county, township, village, city, or authority providing essential services; duties of department.

Sec. 14. (1) Not later than November 7, 2017, and each October 7 thereafter, for each municipality that is not a local school district, intermediate school district, or tax increment finance authority, the department shall do all of the following:

(a) Calculate the municipality's personal property exemption loss.

(b) Multiply the municipality's personal property exemption loss by the millage rates calculated under section 13(5).

(c) For calendar year 2017 calculations only, adjust the amount calculated under subdivision (b) by the amount required to reflect changes in prior year taxable values that affect any prior year calculation under this subsection and that can be calculated from taxable values reported under section 151(1) of the state school aid act of 1979, 1979 PA 94, MCL 388.1751.

(d) Subtract from the amount calculated under subdivision (b), as adjusted by subdivision (c), the amount calculated under section 16a(2) for captured taxes levied by the municipality not including taxes attributable to increased captured value.

(2) Not later than November 7, 2017, and each October 7 thereafter, for each municipality that is a county, township, village, city, or local authority that provides essential services, the department shall do all of the following:

(a) For calendar year 2016, 2017, 2018, 2019, and 2020 calculations only, add to the amount calculated under subsection (1)(a) any increased value from expired tax exemptions for the current year.

(b) Multiply the millage rate calculated under section 13(5) for general operating millage by the percentage of the municipality's general operating millage used to fund the cost of essential services in the municipality's fiscal year ending in 2012. The department shall calculate each municipality's percentage of general operating millage used to fund the cost of essential services in the municipality's fiscal year ending in 2012, unless the municipality includes the calculation in its comprehensive annual financial report for the municipality's fiscal year ending in either 2014 or 2015 or otherwise reports the calculation to the department in a form and in a manner prescribed by the department.

(c) Multiply the result of the calculation in subdivision (a) by the result of the calculation in subdivision (b).

(d) Multiply the amount calculated under section 16a(2) for captured taxes from the general operating millage levied by the municipality not including taxes attributable to increased captured value by the percentage of the municipality's general operating millage used to fund the cost of essential services in the municipality's fiscal year ending in 2012 and subtract the resulting amount from the amount calculated under subdivision (c).

(e) Add to the result of the calculation in subdivision (d) an amount calculated by multiplying the millage rate calculated under section 13(5) for each millage that is not general operating millage and that is dedicated in whole or in part for the cost of essential services by 1 or by the portion reported for that millage under section 13(7), as applicable, multiplying the resulting product for each millage by the amount calculated under subdivision (a), and adding the results. A millage levied to fund a pension under the fire fighters and police officers retirement act, 1937 PA 345, MCL 38.551 to 38.562, is dedicated for the cost of essential services.

(f) Subtract from the result of the calculation in subdivision (e) the amount calculated under section 16a(2) for captured taxes from the portion of millage dedicated for the cost of essential services levied by the municipality not including taxes attributable to increased captured value.

(3) Not later than May 24, 2016, for each municipality that is a city, the department shall do all of the following:

(a) Calculate the municipality's 2014 and 2015 small taxpayer exemption loss.

(b) Multiply the 2014 small taxpayer exemption loss if greater than zero by the millage rates calculated under section 13(5) for 2014, excluding debt millage.

(c) Multiply the 2015 small taxpayer exemption loss if greater than zero by the millage rates calculated under section 13(5) for 2015, excluding debt millage.

(d) Add the amounts calculated under subdivisions (b) and (c).

(e) Calculate the sum of the municipality's debt loss for 2014 and 2015 reimbursed under section 17(1)(a) for millages used to calculate the amounts under subdivisions (b) and (c).

(f) Calculate the amount of any tax increment small taxpayer loss for captured taxes levied by the municipality in 2014 and 2015 for millages used to calculate the amounts under subdivisions (b) and (c).

(4) Not later than November 7, 2017, and each October 7 thereafter, for each municipality that is not a

local school district, intermediate school district, or tax increment finance authority, the department shall do all of the following:

(a) Calculate the municipality's 2015 small taxpayer exemption loss.

(b) Multiply the municipality's 2015 small taxpayer exemption loss by the millage rates calculated under section 13(5).

(c) For calendar year 2017 calculations only, adjust the amount calculated under subdivision (b) by the amount required to reflect changes in prior year taxable values that affect any prior year calculation under this subsection and that can be calculated from taxable values reported under section 151(1) of the state school aid act of 1979, 1979 PA 94, MCL 388.1751.

(d) Subtract from the amount calculated under subdivision (b), as adjusted by subdivision (c), the amount calculated under section 16a(2) for captured taxes levied by the municipality not including taxes attributable to increased captured value. The subtraction under this subdivision shall only be made to the extent that the subtraction made under subsection (1)(d) did not fully account for all captured taxes levied by the municipality not including taxes attributable to increased captured value.

History: 2014, Act 86, Eff. Aug. 22, 2014;—Am. 2015, Act 122, Imd. Eff. July 10, 2015;—Am. 2016, Act 124, Imd. Eff. May 19, 2016;—Am. 2017, Act 102, Imd. Eff. July 13, 2017;—Am. 2018, Act 247, Imd. Eff. June 28, 2018;—Am. 2020, Act 194, Imd. Eff. Oct. 15, 2020.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS"

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.

2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.

3. Increase portion of state use tax dedicated for aid to local school districts.

4. Prohibit Authority from increasing taxes.

5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES ☐

NO ☐

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

123.1355 Municipality that is local school district; duties of department.

Sec. 15. Not later than November 7, 2017, and each October 7 thereafter, for each municipality that is a local school district, the department shall do all of the following:

(a) Calculate the municipality's personal property exemption loss.

(b) Multiply the result of the calculation in subdivision (a) by the individual millage levied under section 1212 of the revised school code, 1976 PA 451, MCL 380.1212, and section 2 of 1917 PA 156, MCL 123.52, as calculated under section 13(5).

(c) For calendar year 2017 calculations only, adjust the amount calculated under subdivision (b) by the amount required to reflect changes in prior year taxable values that affect any prior year calculation under this section and that can be calculated from taxable values reported under section 151(1) of the state school aid act of 1979, 1979 PA 94, MCL 388.1751.

(d) Subtract from the result of the calculation in subdivision (b), as adjusted by subdivision (c), the amount calculated under section 16a(2) for captured taxes levied by the municipality under section 1212 of the revised school code, 1976 PA 451, MCL 380.1212, and section 2 of 1917 PA 156, MCL 123.52, not including taxes attributable to increased captured value.

History: 2014, Act 86, Eff. Aug. 22, 2014;—Am. 2017, Act 102, Imd. Eff. July 13, 2017;—Am. 2018, Act 247, Imd. Eff. June 28, 2018.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Rendered Thursday, April 20, 2023

Page 16

Michigan Compiled Laws Complete Through PA 19 of 2023

©

Courtesy of www.legislature.mi.gov

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.
2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.
3. Increase portion of state use tax dedicated for aid to local school districts.
4. Prohibit Authority from increasing taxes.
5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES []

NO []".

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

123.1356 Municipality that is intermediate school district; duties of department.

Sec. 16. Not later than November 7, 2017, and each October 7 thereafter, for each municipality that is an intermediate school district, the department shall do all of the following:

(a) Calculate the municipality's personal property exemption loss.

(b) Multiply the result of the calculation in subdivision (a) by the millage rates calculated under section 13(5).

(c) For calendar year 2017 calculations only, adjust the amount calculated under subdivision (b) by the amount required to reflect changes in prior year taxable values that affect any prior year calculation under this section and that can be calculated from taxable values reported under section 151(1) of the state school aid act of 1979, 1979 PA 94, MCL 388.1751.

(d) Subtract from the result of the calculation in subdivision (b), as adjusted by subdivision (c), the amount calculated under section 16a(2) for captured taxes levied by that municipality not including taxes attributable to increased captured value.

History: 2014, Act 86, Eff. Aug. 22, 2014;—Am. 2017, Act 102, Imd. Eff. July 13 2017;—Am. 2018, Act 247, Imd. Eff. June 28, 2018.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.
2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.
3. Increase portion of state use tax dedicated for aid to local school districts.
4. Prohibit Authority from increasing taxes.
5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES []

NO []".

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

123.1356a Municipality that is tax increment finance authority; calculation of municipality's tax increment small taxpayer loss; duties of municipality; report.

Sec. 16a. (1) Not later than June 15, 2014 and June 15, 2015, each municipality that is a tax increment

Rendered Thursday, April 20, 2023 Page 17 Michigan Compiled Laws Complete Through PA 19 of 2023

finance authority shall calculate and report to the department the municipality's tax increment small taxpayer loss for the current calendar year.

(2) Not later than June 15, 2016, and each June 15 thereafter, each municipality that is a tax increment finance authority shall do all of the following for each of its tax increment financing plans:

(a) Calculate separately for each category of property the captured value of all industrial personal property and commercial personal property in the municipality that is a tax increment finance authority in 2013 and add any increased captured value for the current year.

(b) For the 2016, 2017, 2018, 2019, and 2020 calendar years' calculations, from each amount calculated in subdivision (a), subtract the captured value of all industrial personal property and commercial personal property in the municipality that is a tax increment finance authority in the current year for that category of property and multiply the resulting amount by each individual millage rate calculated under section 13(5), to the extent the millage is subject to capture by that tax increment finance authority for that category of property. For the calendar year 2021 and subsequent years' calculations, from each amount calculated in subdivision (a), subtract the captured value of all industrial personal property and commercial personal property in the municipality that is a tax increment finance authority in the current year for that category of property and multiply the resulting amount by each individual millage rate calculated under section 13(4) and (5) and the state education tax levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, to the extent the millage is subject to capture by that tax increment finance authority for that category of property.

(c) Add all of the amounts calculated under subdivision (b). If the estimated amount of tax increment revenue for the current year for all property in the municipality that is a tax increment finance authority is negative, the sum of the subdivision (b) amounts calculated under this subdivision shall be reduced by that negative amount.

(d) For calendar year 2017 calculations only, adjust the amount calculated under subdivision (c) by the amount required to reflect changes in prior year taxable values that affect any prior year calculation under this section and that can be calculated from taxable values reported under section 151(1) of the state school aid act of 1979, 1979 PA 94, MCL 388.1751.

(e) For an obligation refinanced after 2012, estimate for the term of the obligation:

(i) The cumulative school district operating tax and state education tax that would have been captured to repay the obligation had the obligation not been refinanced.

(ii) The cumulative amount calculated under subdivision (c), as adjusted by subdivision (d), for school district operating tax and state education tax for the obligation had it not been refinanced.

(f) Once the amount included in subdivision (c), as adjusted by subdivision (d), for the current and prior years for school operating tax and state education tax for the refinanced obligation equals the amount estimated in subdivision (e)(ii), subtract from the amount calculated under subdivision (c), as adjusted by subdivision (d), the amount calculated under subdivision (c), as adjusted by subdivision (d), for school district operating tax and state education tax for the refinanced obligation.

(g) Once the amount of school district operating tax and state education tax captured for the current and prior years to pay the refinanced obligation equals the amount estimated under subdivision (e)(i), subtract from the amount calculated in subdivision (c), as adjusted by subdivision (d), the amount of school operating tax and state education tax captured to repay the refinanced obligation.

(3) Not later than June 15, 2016, and each June 15 thereafter, each municipality that is a tax increment finance authority shall report to the department the results of the calculations under subsection (2) for each tax increment financing plan.

History: 2014, Act 86, Eff. Aug. 22, 2014;—Am. 2018, Act 247, Imd. Eff. June 28, 2018;—Am. 2020, Act 197, Imd. Eff. Oct. 15, 2020.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax

system to help small businesses grow and create jobs in Michigan.

2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.

3. Increase portion of state use tax dedicated for aid to local school districts.

4. Prohibit Authority from increasing taxes.

5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES ☐

NO ☐

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

123.1356b Calculation by municipality that is tax increment finance authority; form and manner; extension of calculation and reporting date; exclusion.

Sec. 16b. (1) Each municipality that is a tax increment finance authority shall report to the department the calculation required under section 16a on a form and in a manner prescribed by the department.

(2) If a municipality that is a tax increment finance authority fails to make the calculation and report it to the department by the date provided in section 16a, the department may extend the calculation and reporting date upon good cause as determined by the department.

(3) The department shall exclude from the calculations under sections 14, 15, and 16 the taxable value of property exempt under section 7ff of the general property tax act, 1893 PA 206, MCL 211.7ff, for millages subject to the exemption.

History: 2014, Act 86, Eff. Aug. 22, 2014.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.

2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.

3. Increase portion of state use tax dedicated for aid to local school districts.

4. Prohibit Authority from increasing taxes.

5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES ☐

NO ☐

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

123.1357 Appropriation of funds; purposes; distribution to municipalities; distribution of local community stabilization share revenue; priority; payments, overpayments, and underpayments; insufficient funds; use of revenue; distribution; amounts.

Sec. 17. (1) The legislature shall appropriate funds for all of the following purposes:

(a) For fiscal year 2014-2015 and fiscal year 2015-2016, to the authority, an amount equal to all debt loss for municipalities that are not a local school district, intermediate school district, or tax increment finance authority, an amount equal to all school debt loss for municipalities that are a local school district or intermediate school district, and an amount equal to all tax increment small taxpayer loss for municipalities that are a tax increment finance authority. Funds appropriated under this subdivision for fiscal year 2015-2016 may be used to pay a corrected tax increment small taxpayer exemption loss for 2014 if a tax increment finance authority submits before June 1, 2016 a correction to a report that was filed under section 16a before October 1, 2014.

(b) For fiscal years after 2013-2014, to the department, an amount equal to the necessary expenses incurred by the department in implementing this act.

(c) Beginning in fiscal year 2019-2020 and each fiscal year thereafter, an amount sufficient to allow the

authority to continue exercising its powers, duties, functions, and responsibilities under section 11(1)(b), including, for fiscal year 2019-2020, an amount sufficient for the creation of a database.

(2) In fiscal year 2014-2015 and fiscal year 2015-2016, the authority shall distribute to municipalities those funds appropriated under subsection (1)(a). However, in fiscal year 2014-2015, if the authority is not able to make the distribution under this subsection, the department shall make the distribution under this subsection on behalf of the authority.

(3) For calendar years 2014 and 2015, the authority shall distribute local community stabilization share revenue to each city in an amount determined by multiplying the sum of the local community stabilization share revenue for the calendar years and the amounts calculated under section 14(3)(e) and (f) by a fraction, the numerator of which is that city's amount calculated under section 14(3)(d) and the denominator of which is the total amount calculated under section 14(3)(d), and subtracting from the result each city's amounts calculated under section 14(3)(e) and (f).

(4) Beginning for calendar year 2016, after any distributions under subsection (10), the authority shall distribute local community stabilization share revenue as follows in the following order of priority:

(a) The authority shall distribute to each municipality an amount equal to all of the following:

(i) 100% of that municipality's school debt loss in the current year as calculated under section 13(4) and 100% of its amount calculated under section 15.

(ii) 100% of that municipality's amount calculated under section 16.

(iii) 100% of that municipality's school operating loss not reimbursed by the school aid fund in the current year, calculated by multiplying the operating millage rate reported under section 13(4) or the operating millage rate calculated under section 13(5) for mills other than basic school operating mills, as that term is defined in section 2c of the use tax act, 1937 PA 94, MCL 205.92c, by the local school district's personal property exemption loss for the personal property subject to the respective millage.

(iv) 100% of the amount calculated in section 14(2). For calendar years 2016 and 2017 only, however, the amount distributed to a municipality under this subparagraph shall not exceed the amount calculated in section 14(1)(d). For all calendar years, all distributions under this subparagraph shall be used to fund essential services.

(v) For a municipality that is a tax increment finance authority, 100% of its amount calculated under section 16a(2), as confirmed or adjusted by the department. For calculations made under section 16a(2), as modified by section 16b(2), in calendar years 2016 and 2017 only, amounts claimed for increased captured value shall be included as claimed.

(vi) 100% of that municipality's amount calculated under section 14(4).

(vii) Beginning for calendar year 2019, for municipalities with state facilities under 1977 PA 289, MCL 141.951 to 141.956, 100% of the amount calculated under 1977 PA 289, MCL 141.951 to 141.956. The department of licensing and regulatory affairs shall certify to the department and the authority the amount to be paid to each municipality under this subparagraph.

(viii) Beginning for calendar year 2019, for municipalities that incur certain reasonable and allowable costs of required and allowable health services described in section 2475 of the public health code, 1978 PA 368, MCL 333.2475, \$10,000,000.00 of those costs not otherwise reimbursed pursuant to section 2475 of the public health code, 1978 PA 368, MCL 333.2475, or other appropriation. The department of health and human services shall certify to the department and the authority the amount to be paid to each municipality under this subparagraph.

(b) Beginning for calendar year 2021, after the distributions under subdivision (a), and subject to subparagraph (viii), the authority shall distribute an amount equal to 10% of the total qualified loss for the current calendar year to each municipality that is not a local school district, intermediate school district, tax increment finance authority, or a local authority that first levied a millage rate after 2013 in an amount determined as follows:

(i) Calculate the total acquisition cost of all eligible personal property in the municipality.

(ii) Multiply the result of the calculation in subparagraph (i) by each individual millage levied by the municipality as calculated under section 13(5) that is not used to calculate a distribution under subdivision (a)(i) to (iv).

(iii) Divide the sum of the amounts calculated under subparagraph (ii) for all municipalities subject to the calculation by total qualified loss.

(iv) Multiply the result of the calculation in subparagraph (iii) by the difference between the amount calculated under section 16a(2) for captured taxes for each individual millage levied by the municipality not including taxes attributable to increased captured value and the subtraction amounts calculated under section 14(2)(d), (2)(f), and (4)(d) for that millage.

(v) Subtract from the amount calculated under subparagraph (ii) the amount calculated under subparagraph

(iv) for the individual millage levied.

(vi) Divide the result of the calculation in subparagraph (v) by the sum of the calculation under subparagraph (v) for all millages for all municipalities.

(vii) Multiply the result of the calculation in subparagraph (vi) by the amount to be distributed under this subdivision.

(viii) For calendar year 2022, and each calendar year thereafter, the percentage amount described in this subdivision shall be increased an additional 10% each year, not to exceed 100%.

(c) For calendar years 2016 and 2017, after the distributions in subdivision (a), the authority shall distribute the remaining balance of the local community stabilization share fund for a calendar year to each municipality in an amount determined by multiplying the remaining balance by a fraction, the numerator of which is that municipality's qualified loss and the denominator of which is the total qualified loss. Beginning for calendar year 2018, after the distributions in subdivisions (a) and (b), the authority shall distribute local community stabilization share revenue under this subdivision to each municipality in an amount determined by multiplying total qualified loss minus the total amount distributed in subdivision (b) for a calendar year by a fraction, the numerator of which is that municipality's qualified loss and the denominator of which is the total qualified loss.

(d) After the distributions under subdivisions (a) to (c), beginning for calendar year 2018, the department shall adjust the amounts calculated under subdivisions (b) and (c) for a municipality that is a county, township, village, city, or community college district by the amount of any overpayment to that municipality under those subdivisions for that calendar year and the authority shall distribute the following:

(i) To a municipality, the amount of any underpayment calculated under subsection (5) for calendar years after 2016.

(ii) For calendar year 2018 only, a total of \$13,600,000.00 to municipalities with state facilities under 1977 PA 289, MCL 141.951 to 141.956. The department of licensing and regulatory affairs shall certify to the department the amount to be paid to each municipality under this subparagraph.

(e) Except as otherwise provided in this subdivision, after the distributions under subdivisions (a) to (d), the authority shall distribute the remaining balance of the local community stabilization share fund for the calendar year to each municipality that is a county, township, village, city, or community college district in an amount determined by multiplying the remaining balance by a fraction, the numerator of which is the sum of that municipality's amount received under subdivisions (b), (c), and (d), only to the extent that the distribution under subdivision (d) is for an underpayment of the current calendar year's subdivision (b) or (c) amount, and the overpayment adjustment under subdivision (d), and the denominator of which is the sum of the total amount distributed to all counties, townships, villages, cities, and community college districts under subdivisions (b), (c), and (d), only to the extent that the distribution under subdivision (d) is for an underpayment of the current calendar year's subdivision (b) or (c) amount, and the total overpayment adjustments for all counties, townships, villages, cities, and community college districts under subdivision (d). For any municipality that, in total, was overpaid under subdivisions (a), (b), and (c), the distribution under this subdivision, which for purposes of this calculation for any municipality other than a county, township, village, city, or community college district shall be \$0, shall be reduced by any positive amount determined by subtracting the corrected amounts under subdivisions (a) to (c) for that municipality from the distributed amounts under subdivisions (a) to (c) for that municipality and subtracting \$10,000.00. If the resulting distribution amount is negative, the municipality has been overpaid for the year by the amount of the negative balance. The municipality shall pay to the authority the amount of the overpayment in 3 equal annual payments, due by September 20 1 year following notice of the overpayment and by September 20 of the subsequent 2 years. A municipality may pay the amount of the overpayment at any time during the 3-year period. If a municipality fails to repay the amount of the overpayment as provided in this subdivision, the authority shall add interest to the entire amount of the original overpayment from the date of notice of the overpayment and may reduce subsequent distributions to the municipality under this section to recover the outstanding balance of the overpayment and interest. Interest added under this subdivision shall be at the rate determined under section 23 of 1941 PA 122, MCL 205.23. Any overpayment amounts repaid to the authority under this subdivision by September 30 of each year shall be added to the local community stabilization share revenue available for distribution for the calendar year. If reductions to distributions calculated under this section result in the authority having a year-end balance of local community stabilization share revenue, that revenue shall be added to the local community stabilization share revenue available for distribution for the subsequent calendar year.

(5) The department and authority shall administer overpayments and underpayments as follows:

(a) For calendar years before 2016, if a municipality received an overpayment under this section due to an error in reporting or calculation, the authority may reduce a subsequent payment to the municipality or bill the

municipality to recover the overpayment.

(b) Before November 7, 2017, the department shall recalculate 2016 payments to correct any errors in reporting under section 13(3) or (4) and any calculation errors made by the department, and adjust the 2017 payment to each municipality for any change in its 2016 payment.

(c) For calendar year 2018, for any errors in reporting under section 13(3) or (4) in calendar year 2017 or 2018, any calculation errors made by the department in calendar year 2017 or 2018, or any prior year error adjustment used in the calculation of the calendar year 2017 distributions, that resulted in an underpayment or overpayment under this section to a municipality for the prior calendar year or current calendar year, the department shall calculate the amount of underpayment or overpayment. For each municipality, the department shall add together the calendar year 2016 and calendar year 2017 underpayment and overpayment amounts. If a municipality has a net underpayment for calendar years 2016 and 2017, the amount of the net underpayment shall be added to the calendar year 2018 underpayment or overpayment amount for that municipality. If a municipality has a net overpayment for calendar years 2016 and 2017, the amount of the net overpayment shall be excused by the authority and shall not be added to the calendar year 2018 underpayment or overpayment amount for that municipality. The following apply to determining underpayment or overpayment amounts:

(i) For calendar year 2016, the underpayment or overpayment of a municipality's qualified loss shall be calculated by multiplying the municipality's qualified loss by 261.3820%.

(ii) For calendar year 2017, the underpayment or overpayment of a municipality's qualified loss shall be calculated by multiplying the municipality's qualified loss by 292.4677%.

(d) Beginning for calendar year 2019, for any errors in reporting under section 13(3) or (4), and for any calculation errors made by the department, that resulted in an underpayment or overpayment under this section to a municipality for the current calendar year, the department shall calculate the amount of underpayment or overpayment. A calculation made under this subdivision shall not recalculate a prior year payment.

(e) Except as provided in subsection (6), any underpayment shall be paid to the municipality as provided in subsection (4)(d). Any underpayment amount determined by the department to be the fault of that municipality, by either the municipality reporting inaccurate information or filing information after the reporting due dates, shall not be included in any payment made under subsection (4)(d) or (6).

(f) For any overpayment for which the state treasurer determines that the municipality was at fault and acted in bad faith, the department may calculate the amount of the overpayment for all years to which the bad faith applied without any adjustment and the municipality shall immediately repay the amount of the overpayment and interest to the authority within 30 days following notice of the overpayment. If a municipality fails to repay the amount of the overpayment and interest to the authority, the authority shall reduce subsequent payments to the municipality under this section to recover the outstanding balance of the overpayment and interest. Interest added under this subsection shall be at the rate determined under section 23 of 1941 PA 122, MCL 205.23. Any overpayment amounts repaid to the authority under this subsection by September 30 of each year shall be added to the local community stabilization share revenue available for distribution for the calendar year. Any reduction of subsequent payments due to municipalities failing to repay the amount of the overpayment and interest shall be added to the local community stabilization share revenue available for distribution for the subsequent calendar year.

(6) If a municipality received an underpayment under this section of \$500,000.00 or more for calendar year 2017 due to an error in reporting under section 13(3) or (4), or a calculation error made by the department, including a prior year error adjustment used in the calculation of the calendar year 2017 distributions, the municipality may notify the department of any errors identified by providing substantiating documentation to support an adjustment to the payment amount by August 1, 2018. Upon the department's review of the substantiating documentation and verification of the errors, the department shall calculate an underpayment amount in accordance with subsection (5)(c). The underpayment amount shall be calculated using the appropriate proration factor provided for under subsection (5)(c). The department shall determine if the substantiating documentation is sufficient. The department shall notify the authority to make an advance 2018 payment to the municipality for the amount of the 2017 underpayment. The advance payment shall be deducted from the municipality's payment for calendar year 2018 that includes the distribution under subsection (4)(d).

(7) For payments received beginning October 20, 2018, a municipality shall do all of the following:

(a) Allocate payments received, up to 100% reimbursement, under this section based on the portion of the municipality's payment attributable to each millage levied by the municipality. The portion of the payment allocated to each millage other than the general operating millage shall be considered restricted and recorded by the municipality in the same manner as the millage levied. As used in this subsection, "100%

reimbursement" means the amounts received under subsection (4)(a)(i) to (vi), (b), (c), and (d)(i), only to the extent that the distribution under subsection (4)(d)(i) is for an underpayment of the current calendar year's subsection (4)(a)(i) to (vi), (b), or (c) amount.

(b) For millage levied by a county under section 20b of 1909 PA 283, MCL 224.20b, the governing bodies of the cities and villages in the county and the board of county road commissioners shall agree to a formula that allocates a portion of the payments under this section to each city and village based on the city and village share of the losses and acquisition cost used to calculate the payment to the county described in this subdivision and each city's and village's portion of that share. The formula once established will be in effect until the effective date of any subsequent agreement. If the governing bodies of the cities and villages and the board of county road commissioners described in this subdivision do not agree on a formula by March 31 following the receipt of the subsection (8)(b) payment, the department may prescribe a formula for allocating the payments under this section.

(c) Payments under this section, except for the payments under subsection (4)(a)(vii) and (viii) and subsection (4)(d)(ii), to a municipality that is participating in an intergovernmental conditional transfer by contract under 1984 PA 425, MCL 124.21 to 124.30, or any other interlocal agreement that provides for a millage-based sharing of revenue, shall be allocated between the parties based on the proportionate share of the payment as it is attributable to the area subject to the agreement.

(8) The authority shall make the payments required by subsection (3) not later than June 20, 2016, payments required by subsection (6) not later than October 20, 2018, and payments required by subsection (4) not later than on the following dates:

(a) Except as provided in subdivision (d), for county allocated millage, November 20, 2017, and thereafter October 20 of the year the millage is levied.

(b) Except as provided in subdivision (d), for county extra-voted millage, township millage, and other millages levied 100% in December of a year, February 20 of the following year.

(c) Except as provided in subdivision (d), for other millages, November 20, 2017, and thereafter October 20 of the year the millage is levied.

(d) For payment under subsection (4)(d)(i) and (e), May 20 of the year following the calendar year for which the payments are calculated.

(e) For payment under subsection (4)(d)(ii), November 30, 2018, and for payment under subsection (4)(a)(vii) and (viii), November 30 every year.

(9) If the authority has insufficient funds to make the payments on the dates required in subsection (8), the department shall advance to the authority the amount necessary for the authority to make the required payments. The authority shall repay the advance to the department from the local community stabilization share.

(10) For each fiscal year from fiscal year 2015-2016 through fiscal year 2018-2019, the authority may use up to \$300,000.00 of the local community stabilization share revenue for purposes consistent with implementing and administering this act. For each fiscal year after fiscal year 2018-2019, the authority may use, for purposes consistent with implementing and administering this act, local community stabilization share revenue up to the amount of local community stabilization share revenue authorized for use under this subsection for the prior fiscal year multiplied by 1.01. For each fiscal year after fiscal year 2018-2019, before any distributions under subsection (4), the authority shall distribute the local community stabilization share revenue authorized for use in this subsection to an operating fund created within the authority.

(11) The authority shall distribute local community stabilization share revenue under this section as follows:

(a) From fiscal year 2015-2016 local community stabilization share revenue, \$19,200,000.00 for calendar years 2014 and 2015 and \$76,900,000.00 for calendar year 2016.

(b) From fiscal year 2016-2017 local community stabilization share revenue, \$297,400,000.00 for calendar year 2016 and \$83,200,000.00 for calendar year 2017.

(c) From fiscal year 2017-2018 local community stabilization share revenue, \$321,500,000.00 for calendar year 2017 and \$89,000,000.00 for calendar year 2018.

(d) From fiscal year 2018-2019 local community stabilization share revenue, \$341,800,000.00 for calendar year 2018 and \$95,900,000.00 for calendar year 2019.

(e) From fiscal year 2019-2020 local community stabilization share revenue, \$364,500,000.00 for calendar year 2019 and \$101,400,000.00 for calendar year 2020.

(f) From fiscal year 2020-2021 local community stabilization share revenue, \$383,500,000.00 for calendar year 2020 and \$108,000,000.00 for calendar year 2021.

(g) From fiscal year 2021-2022 local community stabilization share revenue, \$405,700,000.00 for calendar year 2021 and \$115,600,000.00 for calendar year 2022.

(h) From fiscal year 2022-2023 local community stabilization share revenue, \$428,300,000.00 for calendar year 2022 and \$119,700,000.00 for calendar year 2023.

(i) From fiscal year 2023-2024 local community stabilization share revenue, \$438,900,000.00 for calendar year 2023 and \$122,800,000.00 for calendar year 2024.

(j) From fiscal year 2024-2025 local community stabilization share revenue, \$445,800,000.00 for calendar year 2024 and \$124,000,000.00 for calendar year 2025.

(k) From fiscal year 2025-2026 local community stabilization share revenue, \$447,100,000.00 for calendar year 2025 and \$124,300,000.00 for calendar year 2026.

(l) From fiscal year 2026-2027 local community stabilization share revenue, \$447,700,000.00 for calendar year 2026 and \$124,500,000.00 for calendar year 2027.

(m) From fiscal year 2027-2028 local community stabilization share revenue, \$448,000,000.00 for calendar year 2027 and \$124,600,000.00 for calendar year 2028.

(n) From the local community stabilization share revenue for fiscal year 2028-2029 and each fiscal year thereafter, the authority shall increase the prior fiscal year's 2 distribution amounts under this subsection by the personal property growth factor, the first amount for the calendar year in which the fiscal year begins and the second amount for the calendar year in which the fiscal year ends. As used in this subdivision, "personal property growth factor" means that term as defined in section 2c of the use tax act, 1937 PA 94, MCL 205.92c.

History: 2014, Act 86, Eff. Aug. 22, 2014;—Am. 2015, Act 122, Imd. Eff. July 10, 2015;—Am. 2016, Act 124, Imd. Eff. May 19, 2016;—Am. 2017, Act 102, Imd. Eff. July 13, 2017;—Am. 2018, Act 247, Imd. Eff. June 28, 2018;—Am. 2018, Act 248, Imd. Eff. June 28, 2018;—Am. 2018, Act 616, Imd. Eff. Dec. 28, 2018;—Am. 2020, Act 195, Imd. Eff. Oct. 15, 2020;—Am. 2020, Act 196, Imd. Eff. Oct. 15, 2020.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.

2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.

3. Increase portion of state use tax dedicated for aid to local school districts.

4. Prohibit Authority from increasing taxes.

5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES []

NO []".

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

123.1358 Distributions; determination by department; submission of information by municipality; availability; municipality review and reporting.

Sec. 18. (1) Beginning in fiscal year 2015-2016, and each fiscal year thereafter, the department shall determine the amount of the distributions under this act, except for the payments under section 17(4)(a)(vii) and (viii) and section 17(4)(d)(ii).

(2) Each municipality shall submit to the department sufficient information for the department to make its calculations under this act, except for the payments under section 17(4)(a)(vii) and (viii) and section 17(4)(d)(ii), as determined by the department.

(3) The department shall annually make the distribution calculations, except for the payments under section 17(4)(a)(vii) and (viii) and section 17(4)(d)(ii), and the commercial personal property and industrial personal property taxable values available on the internet.

(4) For calendar year 2018, each municipality may review the prior year distribution calculations that the department posted on the internet to determine if there are any errors in reporting under section 13(4) or any calculation errors made by the department. For calendar year 2018 and subsequent calendar years, each

municipality may review the current year distribution calculations that the department posted on the internet to determine if there are any errors in reporting under section 13(4) or any calculation errors made by the department. A municipality may notify the department of any errors identified, in a form and manner prescribed by the department, by providing substantiating documentation to support an adjustment to the payment amount by March 31 of the year following the calendar year for which the payments are calculated, except that for errors identified in calculations under section 13(5) for the current calendar year, a municipality shall notify the department by August 1 of the calendar year for which the payments are calculated. Upon the department's review of the substantiating documentation and verification of the errors, the department shall calculate an underpayment or overpayment amount in accordance with section 17(5). The department shall determine if the substantiating documentation is sufficient.

(5) Each municipality may review the annual commercial personal property and industrial personal property taxable values posted by the department on the internet to determine if there are any errors in reporting under section 13(3) or any calculation errors made by the department. A municipality may notify the department of any errors identified, in a form and manner prescribed by the department, by providing substantiating documentation to support an adjustment to the payment amount, as described in subdivisions (a) to (e). Upon the department's review of the substantiating documentation and verification of the errors, the department shall calculate an underpayment or overpayment amount in accordance with section 17(5). The department shall determine if the substantiating documentation is sufficient. Error notifications under this subsection are subject to the following, as applicable:

(a) For the 2013, 2014, and 2015 commercial personal property and industrial personal property taxable values, as reported by the county equalization director in calendar year 2015 under section 13(3), if a municipality identifies an inaccurate commercial personal property or industrial personal property taxable value, the municipality must report the error to the county equalization director by November 30, 2021, except as provided in section 17(6), by providing substantiating documentation to support the corrected value. County equalization directors shall review all reported inaccurate commercial personal property and industrial personal property taxable values and determine all municipalities affected by the inaccurate commercial personal property and industrial personal property taxable values. If a county equalization director identifies an inaccurate commercial personal property or industrial personal property taxable value, the county equalization director shall determine all municipalities affected by the inaccurate commercial personal property or industrial personal property taxable value. County equalization directors shall notify the department by December 30, 2021, of any corrected 2013, 2014, and 2015 commercial personal property and industrial personal property taxable values for each affected municipality. County equalization directors shall provide to the department substantiating documentation to support the corrected values.

(b) For the 2013 and 2016 commercial personal property and industrial personal property taxable values, as reported by the county equalization director in calendar year 2016 under section 13(3), municipalities must report any inaccurate commercial personal property and industrial personal property taxable values to the county equalization director by February 28, 2019, except as provided in section 17(6). County equalization directors shall notify the department by March 29, 2019, of any corrected 2013 and 2016 commercial personal property and industrial personal property taxable values by providing substantiating documentation to support the corrected values.

(c) For the 2013, 2014, 2015, and 2016 commercial personal property and industrial personal property taxable values, as reported on July 10, 2017, under section 151(1) of the state school aid act of 1979, 1979 PA 94, MCL 388.1751, municipalities must report any inaccurate commercial personal property and industrial personal property taxable values to the county treasurer by February 28, 2019, except as provided in section 17(6). County treasurers shall notify the department by March 29, 2019, of any corrected 2013, 2014, 2015, and 2016 commercial personal property and industrial personal property taxable values by providing substantiating documentation to support the corrected values. For purposes of this subdivision, the corrected 2013, 2014, 2015, and 2016 commercial personal property and industrial personal property taxable values shall be the current taxable values on July 10, 2017.

(d) For the 2013 and 2017 commercial personal property and industrial personal property taxable values, as reported by the county equalization director in calendar year 2017 under section 13(3), municipalities must report any inaccurate commercial personal property and industrial personal property taxable values to the county equalization director by February 28, 2019, except as provided in section 17(6). County equalization directors shall notify the department by March 29, 2019, of any corrected 2013 and 2017 commercial personal property and industrial personal property taxable values by providing substantiating documentation to support the corrected values.

(e) For 2018 and subsequent years' commercial personal property and industrial personal property taxable values, as reported by the county equalization director by May 31 of each year under section 13(3), if a

municipality identifies an inaccurate commercial personal property or industrial personal property taxable value for the current year, the municipality must report the error to the county equalization director by February 28 of the following year, by providing substantiating documentation to support the corrected value. County equalization directors shall review all reported inaccurate commercial personal property and industrial personal property taxable values and determine all municipalities affected by the inaccurate commercial personal property and industrial personal property taxable values. If a county equalization director identifies an inaccurate commercial personal property or industrial personal property taxable value, the county equalization director shall determine all municipalities affected by the inaccurate commercial personal property or industrial personal property taxable value. County equalization directors shall notify the department by March 31 of each year of any corrected prior year commercial personal property and industrial personal property taxable values for each affected municipality. County equalization directors shall provide to the department substantiating documentation to support the corrected values.

History: 2014, Act 86, Eff. Aug. 22, 2014;—Am. 2018, Act 247, Imd. Eff. June 28, 2018;—Am. 2018, Act 248, Imd. Eff. June 28, 2018;—Am. 2018, Act 616, Imd. Eff. Dec. 28, 2018;—Am. 2020, Act 198, Imd. Eff. Oct. 15, 2020.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.
2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.
3. Increase portion of state use tax dedicated for aid to local school districts.
4. Prohibit Authority from increasing taxes.
5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES ☐

NO ☐

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

123.1359 Bonds or other obligations; issuance.

Sec. 19. (1) A local unit of government may issue bonds or other obligations in anticipation of the distribution of local community stabilization share revenue under section 17(4)(a)(iv).

(2) Bonds or other obligations issued under this section are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(3) If authorized by a majority vote of the qualified electors of the local unit of government, the local unit of government may, at the time of issuance, pledge the full faith and credit of the local unit of government for the payment of bonds or other obligations issued under this section.

History: 2014, Act 86, Eff. Aug. 22, 2014;—Am. 2015, Act 122, Imd. Eff. July 10, 2015.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.
2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including

Rendered Thursday, April 20, 2023

Page 26

Michigan Compiled Laws Complete Through PA 19 of 2023

©

Courtesy of www.legislature.mi.gov

police safety, fire protection, and ambulance emergency services.

3. Increase portion of state use tax dedicated for aid to local school districts.

4. Prohibit Authority from increasing taxes.

5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES ☐

NO ☐

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

123.1360 Repealed. 2016, Act 124, Eff. May 19, 2016.

Compiler's note: The repealed section pertained to loss replacement from certain exemptions.

123.1361 Debt payment.

Sec. 21. (1) If a municipality does not adjust its debt millage rate to reflect reimbursement for the small taxpayer exemption loss under section 17(1)(a), the reimbursement under section 17(1)(a) shall be reduced by the excess debt taxes levied.

(2) A municipality shall use the amount received under section 17(4) for debt millage to pay debt. If a payment under section 17(4) for debt millage is not used to pay debt, the amount not used to pay debt shall be deducted from a subsequent payment under section 17(4), unless all debts have been repaid, in which case the amount received under section 17(4) for debt millage may be used by the municipality in any manner and shall not be deducted from a subsequent payment under section 17(4).

History: 2014, Act 86, Eff. Aug. 22, 2014;—Am. 2016, Act 124, Imd. Eff. May 19, 2016;—Am. 2018, Act 247, Imd. Eff. June 28, 2018.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.

2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.

3. Increase portion of state use tax dedicated for aid to local school districts.

4. Prohibit Authority from increasing taxes.

5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES ☐

NO ☐

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

123.1362 Construction of act.

Sec. 22. This act shall be construed to effectuate the legislative intent and the purposes of this act as complete and independent authorization for the performance of each and every act and thing authorized in the act, and all powers granted in this act shall be broadly interpreted to effectuate the intent and purposes of this act and not as to limitation of powers.

History: 2014, Act 86, Eff. Aug. 22, 2014.

Compiler's note: Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

Compiler's note: Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A

LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.
2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.
3. Increase portion of state use tax dedicated for aid to local school districts.
4. Prohibit Authority from increasing taxes.
5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES []

NO []".

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES
BUDGETING AND REPORTING for EXPENSES AND REVENUES

Effective for Agreements beginning on or after 10/01/2024

A. INTRODUCTION

Budgets and Financial Status Reports (FSRs) are important tools to prepare for and account for MDHHS funded projects. The Budgeting and Reported Expenses and Revenues document provides continuity for line item budget preparation and expenditure reporting.

The Grantee submits the Budget and FSR electronically through EGrAMS. EGrAMS user roles dictate data entry, submission, and approval functions for Grantee and MDHHS.

B. BUDGET

1. The Budget should reflect all planned expenditures and revenues associated with the program. Funding source revenues include Federal funding sources, fees and collections, local, state, and other sources.
2. When developing the budget it is important to note that total program expenditures must equal total program revenues.
3. Although a Grantee's budget is approved, it does not mean expenses are approved. Reported expenses are subject to audit and must comply with Federal regulations, the terms of the agreement, and other policy impacting the allowability of expenses. Certain expenses may require prior approval, which should be in writing from MDHHS.

It is the Grantee's responsibility to ensure budgeted expenses comply with Federal regulations, the terms of the agreement, and other policy impacting the allowability of expenses, and have documented prior approval, as needed, when the budget is submitted for review.

C. FINANCIAL STATUS REPORT

1. The FSR is used to provide a standardized format for reporting the financial status of individual MDHHS agreements.
2. The Grantee will report all expenses and revenues on a cash or accrual basis in accordance with the Grantee's accounting basis.
3. Definitions
 - a. Cash Expenditures – Actual cash outlays for goods and services received.
 - b. Accrued Expenditures – Goods and services received, but not yet paid for.
 - c. Cash Revenue – Actual revenue received for goods and services performed, gifts, donations, fees, etc.
 - d. Accrued Revenue – Revenue earned but not yet received. The amount of accrued revenue must comply with available funding sources per the terms of the agreement.

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES
BUDGETING AND REPORTING for EXPENSES AND REVENUES

Effective for Agreements beginning on or after 10/01/2024

4. The FSR should be prepared and submitted within 30 days after the end of the reporting period as prescribed in the MDHHS agreement.
5. The final FSR must be marked **FINAL**. The final FSR is due within 30 or 60 days of the last day of the agreement period. The MDHHS Agreement, Final Obligations and Financial Status Reporting Requirements, Final FSRs, includes the requirement specific to the agreement.
6. The Grantee must liquidate all accounts payable and encumbrances within 30 or 60 days after the end of the last day of the agreement period.
 - a. Accounts Payable – Obligations for good or services received, which have not been paid as of the end of the agreement period.
 - b. Encumbrance – Commitments at the end of the agreement period related to unperformed (executory) contracts for goods or services.
7. An exception may be granted for one-time obligations that cannot be liquidated within this time period. A written request for an extension, with the reason why additional time is needed, must be submitted and approved by DHHS Expenditures Operations Division by the due date of the final FSR.
8. If an agreement does not end on September 30, it is still necessary to estimate accounts payable as of September 30.
9. Failure to meet the final reporting deadlines may result in the State's inability to reimburse the Grantee the full amount of the State's share of gross expenditures.
10. The Grantee will not report expenses for items that require prior approval or exceed the agreement deviation allowance, prior to receiving approval by the contract administrator.
11. The FSR is submitted and validated through EGrAMS by the Grantee's designated staff person based on the user role in EGrAMS. The submission and validation process includes certification that the documentation and records are available and easily accessible and support the data contained in the report.
12. Any citations for improper or undocumented expenses, may require a payment or adjustment to the FSR.
13. In addition to submitting FSRs, other financial information will be requested to assist MDHHS in properly closing the State's fiscal year which ends on September 30. This information will help ensure sufficient funds have been reserved by the State to make reimbursement for the contract in the upcoming fiscal year. The additional information will include an estimate of open commitments and obligations as of September 30, but not yet paid. The MDHHS Expenditures Operations Division will provide detailed instructions for additional financial information mid-August of each year.
14. Inquiries regarding financial reporting should be directed to the MDHHS Contract Payable Section, Expenditures Operations Division.

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES
BUDGETING AND REPORTING for EXPENSES AND REVENUES

Effective for Agreements beginning on or after 10/01/2024

EXPENSE LINE ITEM CATEGORIES

1. Salaries and Wages

- a. This category includes compensation paid to permanent and part-time employees on the payroll of the Grantee who work in the program. Is reasonable for the services rendered and conforms to the established written policy of the Grantee consistently applied to both Federal and non-Federal activities.
- b. This category may include the cost of leave/paid time off (e.g., vacation, sick, holiday, bereavement, military) or the cost of leave/paid time off may be included as a fringe benefit, based on the Grantee's written policy. See Section 2, Fringe Benefits. Leave/paid time off cannot be included in both categories and must be consistently budgeted and expensed for all Federally and non-Federally funded programs and activities of the Grantee.
- c. This category does not include personnel hired on a private contract basis or through a personnel service, contractual services, or professional fees. Consulting services, professional fees or personnel hired on a private contracting basis should be included in Contractual – Professional Services.
- d. Charges to salaries and wages must be based on records that accurately reflect the work performed. The records must:
 - (1) Reflect the total activity for which the employee is compensated by the non-federal entity, not to exceed 100 percent.
 - (2) Encompass federally assisted and all other activities compensated by the non-federal entity on an integrated basis but may include the use of subsidiary records as defined in the non-federal entity's written policy.
 - (3) Support the distribution of the salaries or wages among specific activities or cost objectives if the employee works on more than one federal or non-federal program; an indirect cost activity and a direct cost activity; more than one indirect activity which are allocated using different distribution bases; or an allowable and unallowable activity.
- e. See Title 2 CFR 200.430 for salaries and wages regulations.

2. Fringe Benefits

- a. Fringe benefits include, but are not limited to, the costs of leave/paid time off (e.g., vacation, sick, holiday, bereavement, military), employee insurance (e.g., employer paid portion of health, dental, vision, life), pensions, employer contribution to a retirement account, bonuses, health stipends in lieu of health insurance, unemployment, workers compensation, social security.
- b. The cost of leave/paid time off, and other taxable income (e.g., bonuses, health stipends in lieu of health insurance) may be included in salaries/wages, . See Item 1 above. It cannot be included in both categories and must be consistently budgeted and expensed for all Federally and non-Federally funded programs and activities of the Grantee.

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES
BUDGETING AND REPORTING for EXPENSES AND REVENUES

Effective for Agreements beginning on or after 10/01/2024

- c. The cost of fringe benefits is allowable provided they are reasonable and are required by law, or a Grantee-employee agreement or established in the Grantee's written policy.
- d. Fringe benefit costs must be equitably allocated to all activities (Federal award activity and non-Federal award activity).
- e. See Title 2 CFR 200.431 for fringe benefit regulations.

3. Employee Travel and Training

- a. This category includes the cost of travel and training for full and part-time employees working in the program.
- b. This category does not include travel and training costs for personnel hired on a private contract basis or through a personnel service, for contractual services, or for volunteers.
- c. This category includes the cost of mileage, lodging, per diem, meals, tips, modes of transportation, approved registration fees for conferences, seminars, and other types of training related to the program.
- d. The costs must be consistent with the Grantee's written policy and procedures to be allowable.
- e. See Title 2 CFR 200.474 for travel expense requirements.

4. Supplies and Materials

- a. This category includes consumable and short-term items costing less than ten thousand dollars (\$10,000).
- b. Examples include office supplies, office furniture, computers, computer software, printers, printing, postage, janitorial supplies, educational supplies, medical supplies, etc. according to the requirements of the program.
- c. This category does not include the cost of supplies and materials related to operating a shelter or other emergency housing.
- d. Purchases of materials and supplies must be charged at the actual price, net of applicable credits.
- e. For budgeting purposes, when the Supplies and Materials line item budget will not exceed 10 percent of the total budgeted grant expenses, specific detail will not be required. Detail is required only when the Supplies and Materials line item budget will exceed 10 percent.

5. Subawards – Subrecipient Services

- a. This category includes the cost of an agreement (subaward) between the Grantee and another organization for the purpose of carrying out a portion of the Grant program. A subaward is a subrecipient relationship.

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES
BUDGETING AND REPORTING for EXPENSES AND REVENUES

Effective for Agreements beginning on or after 10/01/2024

- b. See below to differentiate between a subrecipient and a contractor.

SUBRECIPIENT AND CONTRACTOR DETERMINATION FACTORS

Title 2 CFR 200.331 states that a pass-through entity (in this case the Grantee) is responsible for making case by case determinations to determine whether the entity receiving the Federal funds is a subrecipient or contractor.

Subrecipient Characteristics

A subaward is for the purpose of carrying out a portion of the Federal award and creates a Federal financial assistance relationship with a subrecipient. Characteristics of a subrecipient include:

- (1) Implements a public purpose specified in authorizing statute, as opposed to providing goods and services for the benefit of the pass-through entity.
- (2) Is responsible for adherence to applicable Federal program requirements specified in the Federal award.
- (3) Has responsibility for programmatic decision making.
- (4) Determines who is eligible to receive what Federal assistance.
- (5) Has its performance measured in relation to whether objectives of the Federal program are met.

Contractor Characteristics

A contract is for the purpose of obtaining goods or services for the recipient's or subrecipient's use and creates a procurement relationship with a contractor. Characteristics of a contractor include:

- (1) Provides goods and services within normal business operations.
- (2) Provides similar goods and services to many different purchasers.
- (3) Normally operates in a competitive environment.
- (4) Provides goods or services that are necessary to support the implementation of a Federal program.
- (5) Is not subject to compliance requirements of a Federal program as a result of the agreement. However, similar requirements may apply for other reasons.

6. Contractual – Professional Services

- a. This category includes the costs of professional and personnel services rendered by members of a particular profession or possess a certain skill set and are not employees of the Grantee.
- b. This category includes the costs of services such as accounting, auditing, payroll, consulting, services, contract employees, etc.
- c. Grantees generally hire contract employees in place of part-time or full-time staff because of the need for specialized skills or budgetary reasons.

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES
BUDGETING AND REPORTING for EXPENSES AND REVENUES

Effective for Agreements beginning on or after 10/01/2024

- d. The Grantee is not responsible for taxes, social security, workers compensation, unemployment, health benefits, sick or vacation time for contract employees.
- e. Travel expenses may be included when it is part of the contract terms between the Grantee and the contractor.
- f. Training expenses may be included when it is part of the contract terms between the Grantee and the contractor.

7. Communications

- a. This category includes the cost of telephone services (cell and/or land lines), hotline, data lines, internet services, cloud services, copy machine, and website necessary for the operation of the program,
- b. The cost of certain telecommunication and video surveillance services or equipment are prohibited in accordance with Title 2 CFR 200.216.
- c. For budgeting purposes, when the Communications line item budget will not exceed 10 percent of the total budgeted grant expenses, specific detail will not be required. Detail is required only when the Communications line item budget will exceed 10 percent.

8. Grantee Rent Expense

- a. This category includes the cost of rent/leases by the Grantee for space related to the operation of the program.
- b. This category does not include the cost of client rent assistance or equipment rentals/leases.

9. Space Expenses

- a. This category includes costs to maintain a facility related to the operation of the program. Costs include electricity, heating and air conditioning, maintenance and repairs, lawncare and snowplowing, janitorial services, insurance, security system, depreciation (when the space is owned by the Grantee), etc.
- b. These costs must be allocated equitably to all Federal and non-Federal activities related to the space.
- c. Shelter Expenses – The costs associated with operating a shelter. Includes such things as rent or depreciation, insurance, utilities, maintenance and repairs, snow removal, lawn care, trash removal, security system etc.

10. Capital Expenditures – Equipment and Other

- a. Capital Expenditures - Equipment
 - (1) Equipment is defined as an article of non-expendable property having a useful live of more than one year and acquisition cost of \$10,000 or more per unit. Items with an acquisition cost of less than \$10,000 classified as supplies and materials.

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES
BUDGETING AND REPORTING for EXPENSES AND REVENUES

Effective for Agreements beginning on or after 10/01/2024

- (2) The cost of single a single unit or piece of equipment includes the necessary accessories and installation costs.
- (3) When the Grantee's definition and threshold differs from the definition above, the Grantee will budget and report only those equipment purchases of \$10,000 or more, on the Capital Expenditures – Equipment and Other line item.
- (4) Equipment purchases must have prior written approval from MDHHS if the item will be expensed in the year of purchase. The approved Budget does not qualify as prior written approval. When equipment purchases are not expensed in the year of purchase, the Grantee may only expense the depreciation calculated in accordance with its written policy.

b. Capital Expenditures – Other

- (1) This category includes capital outlay for capital assets other than equipment.

CAPITAL ASSETS AND DEPRECIATION

Title 2 CFR 200.1 defines capital assets as tangible or intangible assets used in operations having a useful life of more than one year which are capitalized in accordance with Generally Accepted Accounting Principles and includes:

- Land, buildings (facilities), equipment, and intellectual property (including software), whether acquired by purchase, construction, manufacture, exchange, or through a lease accounted for as financial purchase under GASB or a finance lease under FASB.
- Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life.

Title 2 CFR 200.439(b) includes the following rules of allowability for equipment and other capital expenditures.

- (1) Capital expenditures for general purpose equipment, building, and land are allowable as direct costs, but only with the prior written approval of the Federal awarding agency or the pass-through entity.
- (2) Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a cost of \$10,000 or more have prior written approval of the Federal agency or the pass-through entity.
- (3) Capital expenditures for improvements to land, buildings, or equipment that materially increase their value or useful life are allowable as a direct cost, but only with prior written approval from the Federal agency or the pass-through entity.
- (4) When approved as a direct cost, capital expenditures will be charged in the period in which the expenditure is incurred.
- (5) The recipient or subrecipient may claim the unamortized portion of any equipment written off as a result of a change in capitalization levels by continuing to claim the otherwise allowable depreciation on the equipment or by amortizing the amount to be written off over a period of years negotiated with the cognizant agency for indirect costs.

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES
BUDGETING AND REPORTING for EXPENSES AND REVENUES

Effective for Agreements beginning on or after 10/01/2024

CAPITAL ASSETS AND DEPRECIATION (continued)

- (6) Cost of equipment disposal. If the Federal agency instructs the recipient or subrecipient to otherwise dispose or transfer the equipment, the costs of disposal or transfer is allowable.
- (7) Equipment and other capital assets are unallowable as indirect costs.

11. Client Assistance - Rent

- a. This category includes the cost of rental assistance provided for eligible clients in accordance with the program requirements.
- b. The Grantee must account for rental assistance separate from all other client assistance.

12. Client Assistance – All Other

- a. This category includes the costs of providing assistance for eligible clients in accordance with program requirements. *The guidance below is not meant to be comprehensive, and some costs may not be allowable for a particular program. It is the Grantee's responsibility to budget and report expenses in accordance with the program requirements.*
- b. Examples include:
 - (1) Gift Cards/Prepaid Cards/E-Cards/Store Cards/Vouchers – The cost various types of purchase cards (e.g., gas, phone, food), vouchers (e.g., laundry vouchers for a local laundromat), and public transportation cards/tokens, etc. *in accordance with program requirements.*
 - (2) Transportation – The cost of taxis, Uber, Lyft, etc. for eligible clients when necessary for the health and safety for eligible clients *in accordance with program requirements.*
 - (3) Utilities – The costs associated with heat, electricity, water, etc. for eligible clients *in accordance with program requirements.*
 - (4) Personal Care – The costs associated with food, formula, clothing, diapers, toiletries, medication, medical equipment, etc. for eligible clients *in accordance with program requirements.*
 - (5) Safety – The cost of changing windows and doors or locks, cost of short-term alternative housing (e.g., hotel due to shelter capacity), security cameras, assistance for obtaining long-term housing for a victim (regardless of distance, based on safety needs) etc. for eligible clients *in accordance with program requirements.*
 - (6) Other – The cost of assistance not specifically identified above for eligible clients *in accordance with program requirements.*

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES
BUDGETING AND REPORTING for EXPENSES AND REVENUES

Effective for Agreements beginning on or after 10/01/2024

13. Other Expenses

- a. This cost category includes expenses not previously identified on other line items purchased for the operation of the program.
- b. If the Grantee will claim the DeMinimis Indirect rate, the Grantee's accounting records must clearly identify the following excluded expenses which are included as Other Expenses for budget and FSR purposes and excluded when determining Total Modified Direct Costs.
 - (1) Charges for Patient Care – Medical, social, and educational services to patients relating to prevention, diagnosis, and treatment. Includes medical fees, laboratory, pharmacy, and other health inpatient care, home care services, treatments, professional and consultation fees and related travel costs, transportation of patients including accompanying parents or guardians (or other escort), and for sundry related support such as meals and housing.
 - (2) Participant Support Costs – Direct costs for such items for stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (not employees) in connection with conferences or training projects.
2 CFR 200.201
 - (3) Tuition Remission – Refers to ways that a college or university pays tuition costs for students. Includes tuition waivers and tuition payments. Does not include tuition reimbursement for employees when the Grantee offers tuition reimbursement as an employee fringe benefit.
 - (4) Scholarships and Fellowships – A scholarship is generally an amount paid or allowed to a student at an educational institution for the purpose of study. A fellowship grant is generally an amount paid or allowed to an individual for the purpose of study or research.
www.irs.gov
- c. This cost category does not include indirect expenses which are included below.

14. Volunteer Wages

- a. This category includes the value of volunteer “wages” using the standard statewide volunteer hourly rate applied to the hours volunteered for the program.
- b. The standard volunteer rate is updated annually.
The rate is found at <https://independentsector.org/value-of-volunteer-time>

15. Volunteer Fringe Benefits

- a. This category includes the computed value of “fringe benefits” using the FICA rate of 7.65%.
- b. The FICA rate is applied to the calculated volunteer wages to determine the value of volunteer fringe benefits.

16. Volunteer Training

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES
BUDGETING AND REPORTING for EXPENSES AND REVENUES

Effective for Agreements beginning on or after 10/01/2024

- a. This category includes the cost of training for volunteers when necessary for program operations, so they are better able to provide quality direct services.
- b. Costs include, but are not limited to, manuals, books, videoconferencing, electronic training resources, and other materials and resources related to such training. See Title 28 94.121(b) for allowable volunteer training expenses.
- c. Volunteer training costs must be included in the Grantee's approved budget for the program to be allowable.
- d. Volunteer travel is not included in the volunteer match category because it is a true expense which is generally covered by grant funds or other revenue sources.

General and Administrative Indirect Expenses

1. DeMinimis Rate

- a. Any non-Federal entity that does not have a negotiated rate, may elect to charge a de minimis rate of 15% of modified total direct costs. No documentation is required to justify the 15% de minimis indirect cost rate.

If chosen, this methodology once elected must be used consistently for all Federal awards until such time the non-Federal entity chooses to negotiate for a rate, which the non-Federal entity may apply to do so at any time.

See Title 2 CFR 200.414(f).

- b. Modified Total Direct Costs (MTDC) means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, up to the first \$50,000 of each subaward (regardless of the performance period of the subawards under the award).

MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs, and the portion of each subaward in excess of \$50,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

- c. When a grantee selects to utilize the DeMinimis Indirect rate, it must be applied to **all** Federal awards, whether funded by MDHHS or by other sources.

2. Approved Federal Indirect Rate

- a. Governmental Grantees receiving more than \$35 million in direct Federal awards are required to have an approved indirect cost rate from a Federal cognizant agency. Governmental Grantees are defined as State and Local governments, and Indian Tribes.

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES
BUDGETING AND REPORTING for EXPENSES AND REVENUES

Effective for Agreements beginning on or after 10/01/2024

- b. Governmental and nonprofit Grantees which have received an approved indirect rate from its Federal cognizant agency must provide the Federal approval letter.
- c. A nonprofit may have a Federal approved indirect rate although it is not common.
- d. See Title 2 CFR Part 200
 - Appendix VII – State and Local Governments
 - Appendix IV – Nonprofit Organizations

3. University Indirect Rate

- a. Federal Regulations:
Title 2 CFR 200, Appendix III, C.2., states indirect costs must be distributed to applicable Federal awards and other benefitting activities within each major function on the basis of MTDC.

Title 2 CFR 200, Appendix III, C.8., states administrative costs charged to Federal awards must be limited to 26% of MTDC for the total of General Administration and General Expenses.

Title 2 CFR 200.1 defines MTDC as all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$50,000 of each subaward (regardless of the period of performance of the subawards under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$50,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

- b. Guidance:
The following establishes a single indirect standardized rate for the Department's grants with State public-funded universities:

Indirect costs will be allowed up to and not to exceed 26% of MTDC for the total of General Administration and General Expenses per the federal guidelines for all on grants regardless the source of funds (i.e. Federal, State, Private).

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES
BUDGETING AND REPORTING for EXPENSES AND REVENUES

Effective for Agreements beginning on or after 10/01/2024

4. Other Department Approved Indirect Rate

- a. In some cases, a department of the State of Michigan (e.g. Department of Education) may approve an indirect rate.
- b. The Grantee must provide the approval letter which identifies the rate and what the rate is applied to (e.g., total direct expenses, salaries and wages, modified total direct costs, etc.)

5. County-City Central Services Cost Allocation Plan

- a. This category includes the allocation of central services costs allocated to the program.
- b. Central service departments are within the county or city government that exist to provide support services to other operating departments within that unit of government.
- c. Examples of central service departments include finance, accounting, facilities maintenance, information technology, human resources, purchasing, motor pools, etc.
- d. All costs and data used to distribute the costs included in the plan must be supported by formal accounting and other records that support the propriety of the costs assigned to Federal awards.
- e. Each central service cost allocation plan is required to be certified by the local government.
- f. See Title 2 CFR Part 200 Appendix V, State/Local Governmentwide Central Service Cost Allocation Plans for specific requirements.

6. Other Indirect Cost Distributions

- a. This category includes various contributing activity costs to appropriate program areas based on a documented allocation methodology in accordance with Title 2 CFR 200.
- b. This category is generally associated with governmental entities that utilize a City-County Central Services Plan.

E. REVENUE SOURCES

1. MDHHS State Agreement

Funding (Federal and/or State dollars) provided by MDHHS for this grant agreement.

2. Fees and Collections – 1st and 2nd Party

- a. 1st party funds received from private payers, including patients, source users, and any member of the general public receiving services.
- b. 2nd party funds received from organizations, private or public, who might reimburse services for a group or under a special plan.
- c. Revenues will be reported when earned (accrual basis of accounting) or when received (cash basis of accounting).

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES
BUDGETING AND REPORTING for EXPENSES AND REVENUES

Effective for Agreements beginning on or after 10/01/2024

3. Fees and Collections – 3rd Party

- a. 3rd Party funds received from private insurances, Medicaid, Medicare, or other applicable titles of the Social Security Act directly related to the cost of providing patient care or other services.
- b. Revenues will be reported when earned (accrual basis of accounting) or when received (cash basis of accounting).

4. Local Funds

Funding provided by the Grantee to support expenditures incurred under this grant agreement. This does not include contributions or in-kind (see below).

5. Non-MDHHS State Agreement

Funds provided directly to the Grantee from the State of Michigan (other than MDHHS) to support the program.

6. Federal

Funds provided directly to the Grantee from the Federal government to support the program.

7. Other

Funding provided by foundation grants, United Way grants, private donations, fund-raising, charitable contributions, etc. that provide support to the program.

8. In-Kind

Represents the value of donated services (e.g., accounting, legal, medical, etc.), donated materials and supplies, donated space, etc. that support the program.

9. Volunteer

Represents the value of Volunteer Salaries (Expenditure Line Item V1) and Volunteer Fringe Benefits (Expenditure Line Item V2).

10. Federal Cost Based Reimbursement

Funds received from Federal Cost Based Reimbursement must be budgeted and reported in the program in which they were earned. See MCBR Budget and FSR MDHHS Guidance for reporting requirements.

**MICHIGAN DEPARTMENT OF COMMUNITY HEALTH
CONTRACT MANAGEMENT SECTION
LOCAL PUBLIC HEALTH-LOCAL MAINTENANCE OF EFFORT**

Local Maintenance of Effort Purpose

When the state appropriation for cost sharing was nearly doubled from \$17,904,500 in fiscal year 1992/93 to \$33,012,600 in fiscal year 1993/94, the legislature expressed concerns that counties might misinterpret this increase as an opportunity to reduce their own local appropriations. To assure that increased appropriations would be spent in health programming, the Michigan Department of Community Health (MDCH) developed the local maintenance of effort requirement.

The Local Maintenance of Effort (LMOE) refers to an amount of local spending that must be maintained in order for the local health departments/counties to receive their Local Public Health Operation (LPHO) funds, per P.A. 154. The MDCH Appropriation Act specifies that this amount must be at least equal to the amount of funds expended by the county to support public health services in fiscal year 1992/93. This amount was determined in 1994 and is based upon the Local Health Departments (LHDs) reported expenditures for fiscal year 1992/93.

LMOE Timeframe

Each fiscal year, the LHD is required to submit a budgeted LMOE form for their current year with their budgets on November 1st and an actual LMOE form on March 31st of the year following the fiscal year. Final LMOEs are submitted after the health department has determined their final expenditures.

LMOE Calculation

The local effort is derived from the counties financial statements for a fiscal year and is determined by taking the total expenditures for the period and subtracting all funding sources except local appropriations. In addition, if the health department provides "non-health programs" (i.e., medical examiner, animal control), these programs are removed from the calculation as well.

In determining the original LMOE amount, specific considerations were given:

- **County Cost Allocation Plans.** A concern was identified that a county government could alter the plans to increase their non-cash contribution to the LHDs, thus decreasing their cash contribution. LHDs were given the opportunity to include the county's cost allocation plans in the required LMOE amount. Some LHDs opted to include the cost allocation plan while others did not.
- **Home Health Programs.** In some health departments, the home health program existed as a separate operation from the LHD. Also, due to their size and the amount of revenues home health programs generated, it was determined that their inclusion could distort the required maintenance of effort amount requirement. For example: in the case of District #4, Home Health was excluded and in the case of Dickinson Iron, it was not.

- **Calendar Years.** If a LHD was on a calendar versus a fiscal year during the FY 1992/93 period, the LMOE was calculated and prorated for each year (25% for 1992 and 75% for 1993) and then combined.
- **Excessive Non-Local Revenues.** If a LHD had revenues (excluding local appropriations) that exceeded the expenses of the year, the calculation of expenditures, subtracting all other funding, could result in a negative number. In these cases, the result is a \$0 LMOE. For example: Dickinson-Iron's large home health program, combined with Medicare settlements, resulted in a LMOE negative number when calculations were performed for the FY 1992/93 period.
- **Fund Balance.** Shiawassee County Health Department experienced a lower than normal amount of revenue or an unusually high amount of expenditures in the FY 1992/93 period and was forced to expend part of their fund balance. They continue to argue that they are unfairly burdened.

In order to ensure consistency, it was determined that the LMOE calculation method selected for each local health department during the original LMOE period must continue to be applied to that health department in subsequent periods.

LMOE Revisions

Over the years, LHDs have been allowed to change their required LMOE. If an activity (such as soil erosion control) is shifted to another part of the county, the original calculation is reviewed and recalculated so that the costs of the program are adjusted out of the original LMOE calculation; however, if a LHD simply drops a program no adjustment is made. In these cases it is assumed that the health department will reallocate the resources to other health programs it currently provides.

LMOE Maintenance

Each year, the LHD must use the same methodology and assumptions used by the LHD in 1994 to calculate the actual LMOE. If the LHD cannot maintain its LMOE for a fiscal year, the health department must provide a written reason as to why it cannot meet its LMOE. LHDs that do not meet their LMOE may experience a reduction in LPHO funds equal to the amount needed to maintain their LMOE but not to exceed their LPHO allocation. To date, there has been one significant occurrence of LHDs having to experience a reduction in their LPHO funds due to an inability to meet the LMOE requirement. In fiscal years 1994/95 and 1995/96, Muskegon County Health Department failed to meet their LMOE and experienced a substantial reduction in their LPHO funding for FY 95/96. The reduction only effected one year's LPHO funding.

Prior to reducing the LPHO allocation for a health department that cannot meet their LMOE for a single year, MDCH will work with the LHD. First, MDCH reviews the previous three years to identify trends and the LHD's past practices. Then, both the LHD and MDCH work together to collaboratively develop a plan to address the current year's shortfall, as well as maintaining their local efforts, over the next three-year period.




Michigan.gov

Login Screen
(*) - Required field
Date : Mar-26-24

- Home
- About EGrAMS
- EGrAMS Login
- Validate Workstation
- Register your Agency
- Create User Profile
- Project Director Request
- Grant Opportunity Notification
- Search Grants
- Current Grants
 - Health and Aging Services Administration
 - Bureau of Community Services
 - Bureau of Community Services MA
 - Specialty Behavioral Health Services-MA
 - Specialty Behavioral Health Services
 - Community Action & Economic Opportunity

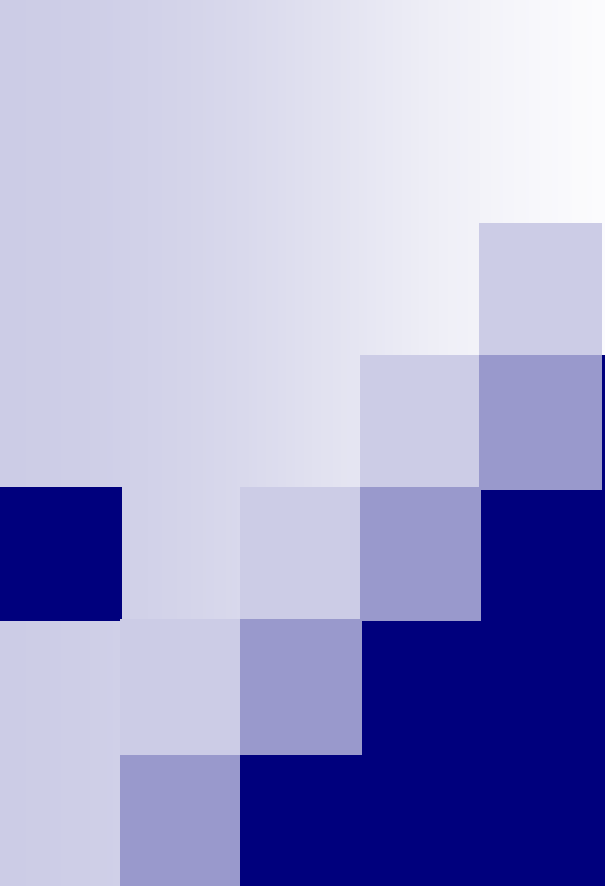
EGrAMS : Screen Help Documents - Work - Microsoft Edge
https://egrms-mi.com/mdhhs/admin/ViewAppDocs.aspx?pdfappcode=000...

Screen Help Documents

- Grantee: Master Agreement Instructions
- Grantee: Master and Comprehensive Agreement Webinars
- Grantee: MPHl - Master Agreement
- Grantee: Project Based Standard Instructions
- Grantee: Schedule of Finance Assistance Instructions
- Grantee: Stage and Status Guide
- Grantee: Standard Agreement Instructions
- Grantee: Standard Agreement Project Director Only
- Grantee: Substance Abuse Instructions

User Name: ReeceC [C Reece] , Agency: Michigan Department

[Michigan.gov Home](#) | [EGrAMS Home](#) | [EGrAMS Menu](#) | [Contact EGrAMS](#) | [Contact Information](#) | [Pending Tasks](#)
[DTMB - IT Policies, Standards & Procedures \(Michigan\)](#)
Copyright © 2001-2023 State of Michigan



EGrAMS GRANTEE TRAINING FUNDING TABLE

Presentation by:
Michigan Department of Health & Human Services,
Bureau of Grants and Purchasing,
Grants Division

Important Information

- ★ Funding Table should be “Generated” for updated information- Information may change throughout the grant period.
- ★ Save generated report for your records.
- ★ Reports may be generated for all fiscal year grants or for a single program/project

**Do NOT contact HTC or the DTMB Helpdesk with EGrAMS issues. Contact EGrAMS System Administrator:
at MDHHS-EGRAMS-HELP@michigan.gov**



Grant Report- Schedule of Financial Assistance

- Schedule of Financial Assistance
 - Generate Data
 - Review Report
 - Create PDF Report
 - Download Data to Excel

Schedule of Financial Assistance

To create and update the Schedule of Financial Assistance:

- Navigate to: **Grantee > Grant Application > Sched of Fin Assistance**, from the drop-down menu. Click the 'Go' button.

- Select "Generate"

Search by:

- **Fiscal Year:** Enter grant fiscal year
- **Grant Program:** Select a Grant Program using the 'Lookup' icon.
- **Agency:** System displays pre-populated information.
- Click the "OK" button
- Message indicates successful generation

The screenshot shows the EGrAMS Application interface. At the top, there are logos for MDHHS and Michigan.gov. The main navigation bar includes dropdown menus for 'Grantee', 'Grant Application', and 'Sched of Fin Assistance', along with a 'go' button and links for 'Home' and 'Logout'. The 'Sched of Fin Assistance' dropdown is currently selected. Below the navigation bar, there are buttons for 'Generate' (highlighted with a red box) and 'Review'. The 'Generate' button is also highlighted with a red box in the bottom right corner of the interface. The main form area is titled 'Specify search criteria and click find..'. It contains several input fields: 'Fiscal Year' (set to 2022), 'Grant Program' (set to CARES-2022), 'Agency' (set to ABC NonProfit), and 'Project'. Each field has a 'Lookup' icon (three dots) and a red 'X' icon. Below the form, a modal window displays the message 'Schedule of Financial Assistance generated successfully.' with an 'OK' button (highlighted with a red box).

Schedule of Financial Assistance

To review the Schedule of Financial Assistance:

Navigate to: **Grantee > Grant Application > Sched of Fin Assistance**, from the drop-down menu. Click the 'Go' button.

- Select "Review"

Search by:

- **Fiscal Year:** Enter Grant Fiscal year
- **Grant Program:** Select a Grant Program using the 'Lookup' icon.
- **Agency:** System displays pre-populated information.
- Click the "Find" button

The screenshot shows the EGrAMS Application interface. At the top, there's a header with the Michigan Department of Health & Human Services (MDHHS) logo and the text 'EGrAMS Application'. Below the header, there are three dropdown menus: 'Grantee', 'Grant Application', and 'Sched of Fin Assistance'. To the right of these menus are links for 'Home' and 'Logout', and a 'Timeout : 19 mins' indicator. Below the dropdowns, there are two buttons: 'Generate' and 'Review'. The 'Review' button is highlighted with a red box. Below the buttons, there's a section titled 'Specify search criteria and click find..'. This section contains four input fields: 'Fiscal Year' (with the value '2022'), 'Grant Program' (with the value 'CARES-2022'), 'Agency' (with the value 'ABC NonProfit'), and 'Project' (which is empty). Each input field has a 'Lookup' icon (three dots) to its right. Below the search criteria, there's a table with the following data:

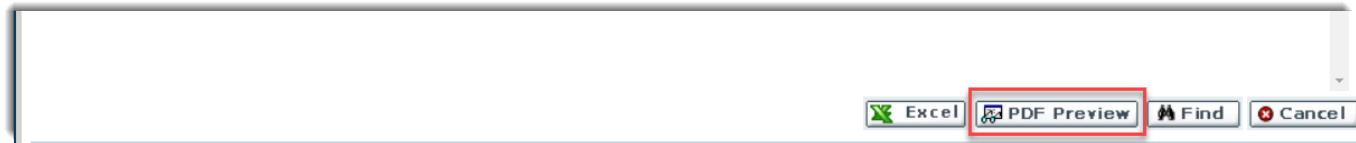
Program	Project Code	Source of Funds	Federal Agency	CFDA	Award #	FAIN #	Award Date	PPC Cd	Amount
Coronavirus Aid Relief and E		Federal (03000) - 1C	Department of Health and Hu	93.569	90201	2001MICSC3	05/08/2020	PFY20	2,379,444.00

At the bottom of the interface, there are three buttons: 'Excel', 'PDF Preview', and 'Find'. The 'Find' button is highlighted with a red box. To the right of the 'Find' button is a 'Cancel' button.

Schedule of Finance Assistance

To Create PDF the Schedule of Finance Assistance:

- Click the “PDF Review” Button



Michigan Department of Health and Human Services

SCHEDULE OF FINANCIAL ASSISTANCE DETAIL

Report generated: 2/23/2022

Source of Funds Federal/State	Federal Agency Name	Catalog of Federal Domestic Assistance CFDA # CFDA Title	Federal Award Award # Award Title	Federal Award Id No.	Award Date	BPC Code	Amount
Program: CARES-2022 Coronavirus Aid Relief and Economic Security - 2022							
Agency: ABC NonProfit		Relationship Type: Sub-Recipient					
Federal (03000) - 100.00% (\$2,379,444.00)	Department of Health and Human Services	93.569 Community Services Block Grant	90201 Coronavirus Aid, Relief, and Economic Security Act	2001MICSC3	05/08/2020	PFY20	\$2,379,444.00
PROGRAM TOTAL :							\$2,379,444.00

Page: 1 of 1

Schedule of Finance Assistance

To review the Schedule of Finance Assistance in Excel:

- Click the “Excel” Button
- Click on the View CSV File link

The screenshot shows a web application interface with a table of finance assistance data. The table has columns for Program, Project Code, Source of Funds, Federal Agency, CFDA, Award #, FAIN #, Award Date, PPC Cd, and Amount. The 'Excel' button is highlighted with a red box. Below the table, the 'View CSV File' link is also highlighted with a red box.

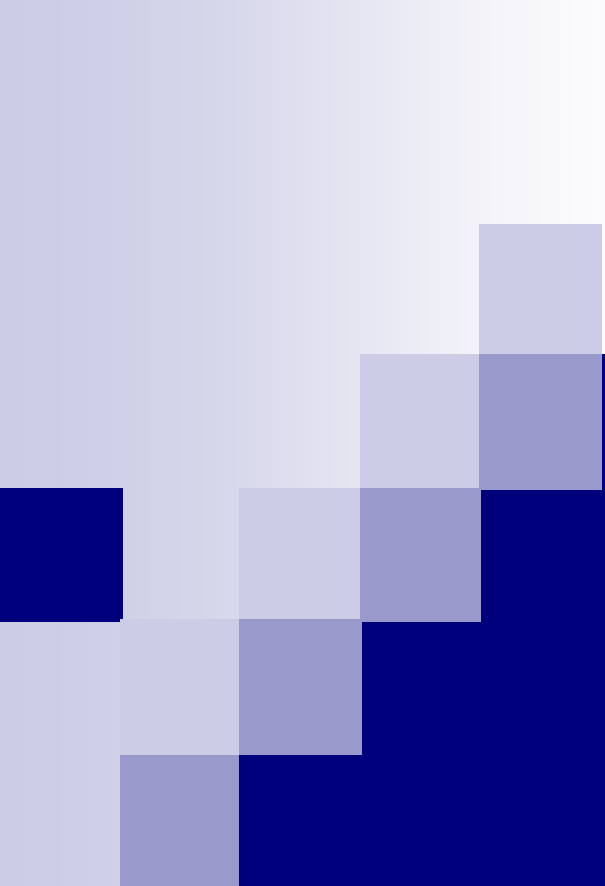
Program	Project Code	Source of Funds	Federal Agency	CFDA	Award #	FAIN #	Award Date	PPC Cd	Amount
Coronavirus Aid Relief and E		Federal (03000) - 100.00%	Department of Health and Hu	93.569	90201	2001MICS	05/08/2020	PFY20	2,379,444.00

View CSV File : 07_46_47_Payment_2040.csv

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
	Program	Program Name	Agency	Project Code	Project Title	Source of Funds	Federal Agency Name	Federal Agency Office	CFDA #	CFDA Title	Award #	Award Title	Federal Award Id	Award Date	Task Order	PPC Code	Amount	
1		Coronavi rus Aid Relief and Economic Security - 2022	ABC NonProfi t			Federal (03000) - 100.00% (\$2,379,4 44.00)	Departm ent of Health and Human Services	Administ ration for Children and Families		Commun ity Services Block Grant	90201	Coronavi rus Aid, Relief, and Economic Security Act	2001MICS C3	5/8/2020	4444	PFY20	2,379,444.00	
2	CARES-																	
3	2022																	
4																		

Questions?

Contact the EGrAMS Help Desk:
MDHHS-EGRAMS-HELP@michigan.gov



Grantee Profile Uploading Attachments MI E-Grants GRANTEE INSTRUCTIONS

MI E-Grants Training

- ❑ Review Fiscal Questionnaire
- ❑ Grantee Profile Maintenance
- ❑ Accessing the Grantee Profile
- ❑ Navigating the Agency Attachment Window
- ❑ Upload your Document
- ❑ Verify your Attachment is Viewable

Document Fiscal Questionnaire

- From the Left Menu option, Under the “Current Grants” section, select a Grant Program for additional general information about a specific Grant Program.

- Open your internet explorer browser window.
- Type in the URL in the address label.

(<http://egrams-mi.com/mdhhs>)

- Under Current Grants, locate any FY2022 grant program, hyperlink to open the grant information.

- The example here shows the **HAPIS agreements**.

- CO agreements-** click on “Current grants” drop down menu, -> Comprehensive Agreement -> Local Health Department – 2022.

- Master agreements-** click on “Current grants” drop down menu, -> Master Agreement Program -> Master Agreement Program-2022.

Click the ‘Program’ hyperlink to access program specific information and related documentation .



EGrAMS Application

Michigan Department of Health & Human Services

Michigan.gov

Current Grants

Date : Dec-03-21

Category: Public Health Administration MA

Option: ☒ Open ☐ All Find

Program	Description	Effective From Date	Effective To Date	Submission Date	Available Grant Amount
HAPIS-2022	HIV/STD Care, Prevention and Support - 2022	10/1/2021	9/30/2022	8/23/2021	12,460,078.00
HAPIS-2021	HIV/STD Care, Prevention and Support - 2021	10/1/2020	9/30/2021	8/18/2020	16,724,546.00
COVID-2020	Coronavirus Response Support Program - 2020	3/1/2020	9/30/2020	3/29/2020	28,000,000.00

Document Fiscal Questionnaire

- Under the Documents tab locate the Fiscal Review Questionnaire. To download the document, click the hyperlink Fiscal Review Questionnaire.
- Complete the Fiscal Questionnaire and save the information to attach to your agency profile. See page 5.

The screenshot shows the EGrAMS Application interface in a web browser. The 'Documents' tab is selected, and the 'Fiscal Review Questionnaire' link is highlighted with a red box. A red arrow points from this link to a preview of the questionnaire document. The document is titled 'Fiscal Questionnaire' and includes fields for 'Agency Name' and 'Fiscal Year'. Below these fields is a table with columns 'Y/N/NA' and 'COMMENTS'.

	Y/N/NA	COMMENTS
A. Activities Allowed / Allowable Costs / Cost Principles / Accounting System and Controls		
A.1. Are grant funds only used on allowed activities and not on items prohibited by the laws, regulations, and provisions of the MDHHS contract pertaining to each MDHHS program?		
A.2. Are staff aware of applicable cost principles (2 CFR 200, Subpart E)?		
A.3. Are staff aware of unallowable costs (i.e. alcoholic beverages, bad debts, contingency reserves, contributions and donations, entertainment, fund raising, use allowances, etc.)?		
A.4. If costs are allocated to multiple funding sources, are they allocated in accordance with relative benefits received in accordance with applicable cost principles, and agree with supporting documentation? Describe how expenditures for supplies, communications, or other expenses are allocated to multiple funding sources.		

Grantee Profile Maintenance

- Open your internet explorer browser window.
- Type in the URL in the address label.
(<http://egrams-mi.com/Portal>)
- Click on “EGrAMS Portal Login”.

EGrAMS Portal : Application Home - Internet Explorer, optimized for Bing and MSN

http://egrams-mi.com/portal/user/home.aspx

EGrAMS Application

Michigan.gov The Official State of Michigan Website

Application Home (*)-required field Date: Dec-06-13

Home

About EGrAMS Portal

EGrAMS Portal Login

Grant Opportunity Notification

Register your Agency

Create User Profile

Validate Workstation

Search Grants

Advanced Grant Search

EGrAMS (Electronic Grants Administration and Management System) Portal is State of Michigan grant management application portal to aid the grantee community in the search for grant opportunities state-wide. There are over 250 grant programs offered by the State grant making agencies. EGrAMS-MI.com allows one stop shop for organizations to access and find grants across State Departments.

Please Note: *If you are in need of personal Financial assistance such as Social Security/Supplemental Security Income, Medicaid or State Social Services, you can find help at www.michigan.gov. This type of individual assistance is not available on the website.

*If you are starting and/or growing a business in Michigan, you can find help at Michigan Small Business and Technology Development Center. Link to www.gvsu.edu/misbtcdc/. This type of assistance is not available on this

If you have any technical problem, please contact HTC's EGrAMS Help Desk at egramshelp_dch@ your full name and complete telephone number (with area code) when you contact the Help Desk.

Michigan.gov Home | EGrAMS Home | Contact EGrAMS | Contact Information | State Web Sites
Privacy Policy | Link Policy | Accessibility Policy | Security Policy

Copyright © 2001-2006 State of Michigan

Login

*User Name:

*Password:

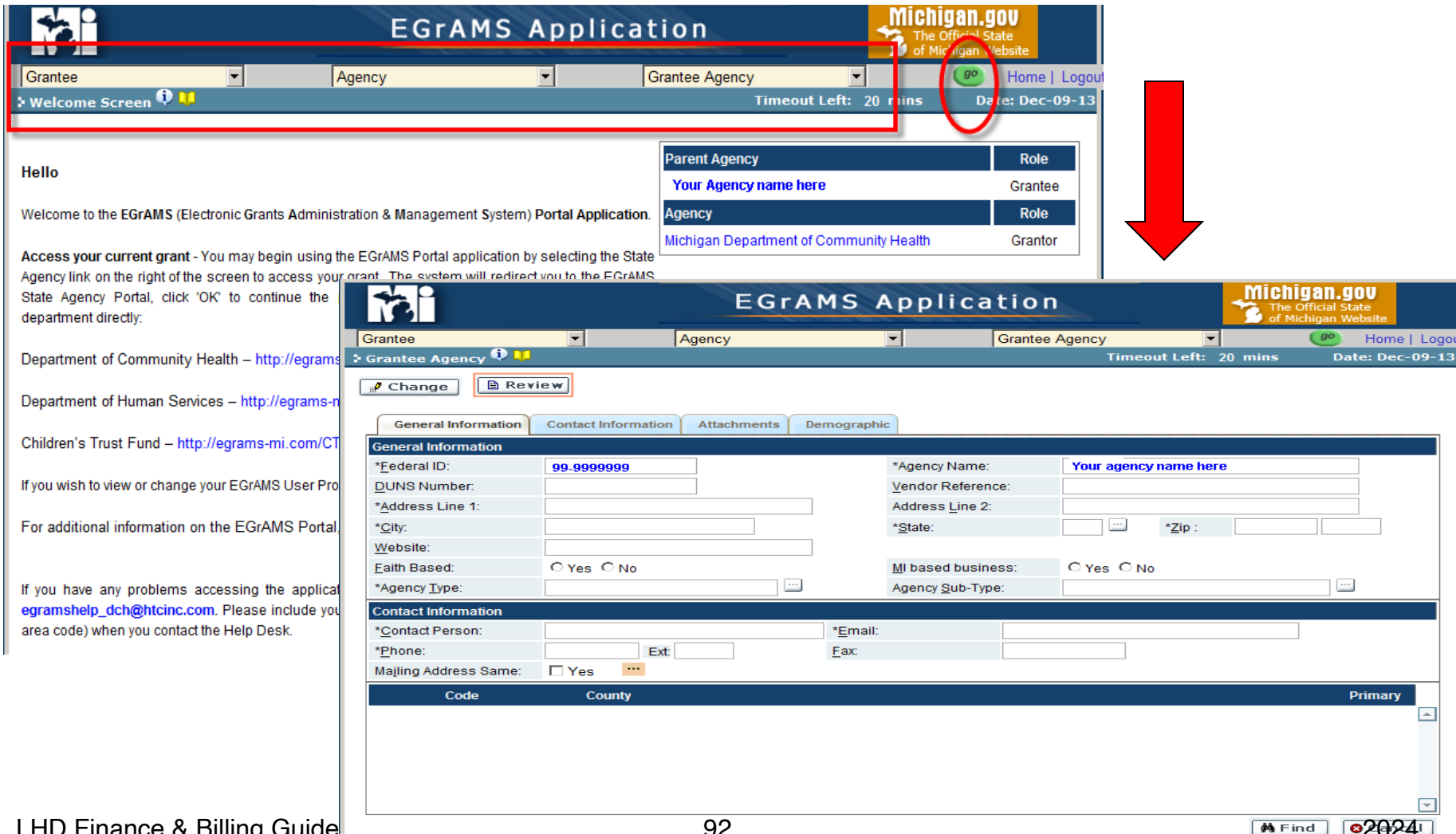
OK

Change Password

Forgot Password

❑ Accessing the Grantee Profile

- Select **Grantee> Agency>Grantee Agency**.
- Click on the GO button.



EGrAMS Application Michigan.gov The Official State of Michigan Website

Grantee Agency Grantee Agency go Home | Logout

Welcome Screen Timeout Left: 20 mins Date: Dec-09-13

Hello

Welcome to the EGrAMS (Electronic Grants Administration & Management System) Portal Application.

Access your current grant - You may begin using the EGrAMS Portal application by selecting the State Agency link on the right of the screen to access your grant. The system will redirect you to the EGrAMS State Agency Portal, click 'OK' to continue the department directly:

Department of Community Health – <http://egramsmi.com/CT>

Department of Human Services – <http://egramsmi.com/CT>

Children's Trust Fund – <http://egramsmi.com/CT>

If you wish to view or change your EGrAMS User Profile, click on the 'My Profile' link on the right of the screen.

For additional information on the EGrAMS Portal, click on the 'Help' link on the right of the screen.

If you have any problems accessing the application, please contact the Help Desk at egramshelp_dch@htcinc.com. Please include your area code when you contact the Help Desk.

EGrAMS Application Michigan.gov The Official State of Michigan Website

Grantee Agency Grantee Agency go Home | Logout

Change Review

General Information Contact Information Attachments Demographic

General Information

*Federal ID: 99-9999999 *Agency Name: Your agency name here

*DUNS Number: Vendor Reference:

*Address Line 1: Address Line 2:

*City: *State: Zip:

Website: MI based business: Yes No

Faith Based: Yes No Agency Sub-Type:

*Agency Type:

Contact Information

*Contact Person: *Email:

*Phone: Ext: Fax:

Mailing Address Same: Yes

Code County Primary

■ Navigating the Agency Attachment Window

- Change the mode from “Review” to “Change”.
- Click on the “FIND” button.

The screenshot displays the EGrAMS Application interface. At the top, there is a header with the Michigan.gov logo and the text "The Official State of Michigan Website". Below the header, there are navigation tabs: "General Information", "Contact Information", "Attachments", and "Demographic". The "General Information" tab is currently selected. The form contains various input fields for agency information, including Federal ID, DUNS Number, Address Line 1, City, Website, Faith Based (Yes/No), Agency Type, Agency Name, Vendor Reference, Address Line 2, State, Zip, MI based business (Yes/No), and Agency Sub-Type. The "Change" button is circled in red. At the bottom right, the "Find" button is also circled in red.

EGrAMS Application

Michigan.gov
The Official State of Michigan Website

Grantee Agency | Agency | Grantee Agency | go Home | Logout

Timeout Left: 20 mins | Date: Dec-09-13

Change | **Review**

General Information

*Federal ID: 99-9999999 | *Agency Name: Your Agency Name here

DUNS Number: | Vendor Reference: |

*Address Line 1: | Address Line 2: |

*City: | *State: | *Zip: |

Website: |

Faith Based: ☐ Yes ☐ No | MI based business: ☐ Yes ☐ No

*Agency Type: | Agency Sub-Type: |

Contact Information

*Contact Person: | *Email: |

*Phone: | Ext: | Fax: |

Mailing Address Same: ☐ Yes ☐ No

Code	County	Primary
☐	...	☐
☐	...	☐
☐	...	☐
☐	...	☐
☐	...	☐

Find | **Cancel**

□ Navigating the Agency Attachment Window

1. Click on the “Attachments” tab.
2. Click on the “Type” lookup icon.
3. Select Attachment type: FYXXFRQ-Fiscal Year 20XX Fiscal Review Questionnaire.

The screenshot displays the EGrAMS Application interface. At the top, there is a header with the Michigan.gov logo and the text "The Official State of Michigan Website". Below the header, there are dropdown menus for "Grantee", "Agency", and "Grantee Agency", along with a "go" button and links for "Home" and "Logout". A "Timeout Left: 20 mins" and "Date: Dec-09-13" are also shown.

The main content area has tabs for "General Information", "Contact Information", "Attachments" (labeled #1), and "Demographic". The "Attachments" tab is active, showing a table with columns: "Del.", "Attachment Type", "Valid From", "Valid To", and "Attachment File". The first row shows "FY14FRQ" and "Fiscal Year 2014 Fiscal Review Questionnaire" (labeled #2). A red circle highlights the lookup icon next to the "Attachment Type" column header.

A "Lookup" window is open, titled "Lookup - Internet Explorer, optimized for Bing and MSN". It contains a search form with "Attach Type" and "Description" fields, a "Lookup" button, and "Reset" and "Close" buttons. Below the search form, it shows "Record Count: 13" and "Page 1 of 1". A table lists various attachment types, including "FY14FRQ" (labeled #3), which is selected with a red circle.

At the bottom of the main interface, there is a "Comment Line:" field with the text "Enter Federal Id".

Upload your Document

1. Click on the “Browse” button, the pop up window will open.
2. Find your saved document. (I.E. FY14 Fiscal Review Q.docx)
3. Tab past the Valid from and Valid To date fields.
4. Click on “Open” to load the document.
5. Click on “OK” to Save.

EGrAMS Application

Michigan.gov
The Official State of Michigan Website

Select Level 1 Menu | Select Level 2 Menu | Select Level 3 Menu | go | Home | Logout

Grantee Agency: [Your Agency name here] | Timeout Left: 18 mins | Date: Dec-09-13

Attachments

Del.	Attachment Type	Valid From	Valid To	Attachment File	/view	Notes	Status
☐	FY14FRQ			[Browse...]			

Choose File to Upload

Look in: +FY14 COMPREHENSIVE

- AA Comprehensive FY 13 14
- Ad Board FY14
- Allocation Schedules Comprehensive 2014
- AMD 1
- AMD 2
- Federal Financial FY14
- FY14 Language
- CO 2013 Project Directors 08 19 2013.xlsx
- COMP FY14 Contract numbers 9-13.xls
- FY14 Fiscal Review Q.docx**
- FY14 Unsubmitted Grants as of 9-11.xlsx
- FY14 Unsubmitted Grants as of 9-24-13.xls
- FY14 Unsubmitted Grants as of 9-27.xls
- FY14 Unsubmitted Grants as of 10-1.xls

File name: FY14 Fiscal Review Q.docx

[Find] [OK] [Cancel]

❑ Verify your attachment is viewable

1. Change the mode from “Change” to “Review”.
2. Click on the “FIND” button.
3. Click on the “Attachments” tab.
4. Click on the paper clip icon under the View column.
5. The document should open and the completed form should appear.
6. If the document is not viewable, please start the process again on page 6.

The screenshot displays the EGrAMS Application interface. At the top, there is a header with the Michigan.gov logo and the text 'The Official State of Michigan Website'. Below the header, there is a navigation bar with 'Change' and 'Review' buttons. The 'Review' button is circled in red and labeled '#1'. Below the navigation bar, there is a tabbed interface with 'General Info', 'Attachments', and 'Demographic' tabs. The 'Attachments' tab is circled in red and labeled '#3'. Below the tabs, there is a table with columns: Del., Attachment Type, Valid From, Valid To, Attachment File, View, Notes, and Status. The first row of the table shows an attachment named 'FY14FRQ' with a 'View' column containing a paper clip icon, which is circled in red and labeled '#4'. Below the table, there is a 'File Download' dialog box with the text 'Do you want to open or save this file?'. The dialog box shows the file name '401_FY14FRQ_1.DOCX', the type 'Microsoft Word Document', and the source 'From: engrams-mi.com'. The 'Open' button is circled in red and labeled '#5'. At the bottom of the interface, there is a 'Find' button circled in red and labeled '#2', along with 'OK' and 'Cancel' buttons. A 'Comment Line' field is also visible at the bottom.

Technical Support Contacts:

- **EGRAMS Help Desk**

Email : MDHHS-EGRAMS-HELP@Michigan.gov

Commonly Used Acronyms in Public Health

ACA	Affordable Care Act
BOL	Michigan Bureau of Laboratories
CAP	Cost Allocation Plan
CD	Communicable Disease
CDC	Centers for Disease Control and Prevention
CERCLA	The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), commonly known as Superfund, was enacted by Congress on December 11, 1980
CHA	Community Health Assessment
CHIP	Children's Health Insurance Plan also Community Health Improvement Plan
CHW	Community Health Worker
CMH	Community Mental Health
CMS	Centers for Medicare and Medicaid Services
CoA	Chart of Accounts (i.e., Michigan Uniform Chart of Accounts)
CPBC	Comprehensive Planning and Budgeting Contract (retired name for the local health department's Comprehensive Agreement with MDHHS)
CPS	Child Protective Services
CRI	Cities Readiness Initiative (funding through the PHEP Cooperative Agreements)
CSHCS	Children's Special Healthcare Services (project within the Comprehensive Agreement)
EGrAMS	Electronic Grants Administration and Management System (State of Michigan)
EH	Environmental Health
ELPHS	Essential Local Public Health Services (within the Comprehensive Agreement)
EOC	Emergency Operations Center
EP	Emergency Preparedness
EPSDT	Early and Periodic Screening, Diagnosis and Treatment
ETLHD	Emerging Threats Local Health Departments (grant funds allocated outside of the Comprehensive Agreement to allow quick response to new emerging threats like pandemics and disease outbreaks)
FEMA	Federal Emergency Management Agency
FFS	Fee For Service
FMAP	Federal Medical Assistance Percentage (Medicaid Match)
FPL	Federal Poverty Level
FQHC	Federally Qualified Health Center
FSR	Financial Status Report
FTE	Full-Time Equivalent
FY/YTD	Fiscal Year/Year To Date
GAO	Federal Government Accounting Office
HAN	Health Alert Network
HIPAA	Health Insurance Portability and Accountability Act
HMP	Healthy Michigan Plan
HSA	Health Savings Account
IMMS	Immunizations

LARA	Michigan Department of Licensing and Regulatory Affairs
LHD	Local Health Department
MAGI	Modified Adjusted Gross Income
MALEHA	Michigan Association of Local Environmental Health Administrators
MALPH	Michigan Association of Local Public Health
MCBR	Medicaid Cost Based Reimbursement
MCH	Maternal Child Health Block Grant
MCIR	Michigan Care Improvement Registry (Immunization Registry)
MCM	Medical Countermeasures
MDARD	Michigan Department of Agriculture and Rural Development
MDEPR	Michigan Division of Emergency Preparedness and Response
MDEQ	Michigan Department of Environmental Quality
MDHHS	Michigan Department of Health and Human Services
MDSS	Michigan Disease Surveillance System
MHAN	Michigan Health Alert Network
MHP	Medicaid Health Plans
MIHP	Maternal Infant Health Program
MIOSHA	Michigan Occupational Safety and Health Administration
MOE	Maintenance of Effort
NACCHO	National Association of County and City Health Officials
NALBOH	National Association of Local Boards of Health
OSHA	Federal Occupational Safety and Health Administration
PCP	Primary Care Physician/Provider
PHAB	Public Health Accreditation Board
PHEP	Public Health Emergency Preparedness (PHEP funding under the Comprehensive Agreement)
PIO	Public Information Officer
PPE	Personal Protective Equipment
REHS/RS	Registered Environmental Health Specialist/Registered Sanitarian
RFP	Request for Proposal
RFQ	Request for Quote
SEFA	Schedule of Expenditures of Federal Awards
SNS	Strategic National Stockpile
STD/STI	Sexually Transmitted Disease/Sexually Transmitted Infection
VFC	Vaccines for Children (federal CDC program)
WIC	Special Supplemental Nutrition Program for Women, Infants and Children (federal USDA funded program)

Directory of MI Local Health Departments

City Health Department

Detroit Health Department - <https://detroitmi.gov/departments/detroit-health-department>

County Health Departments

Allegan County Health Department - <https://www.allegancounty.org/health>

Bay County Health Department - <https://www.baycounty-mi.gov/health/>

Berrien County Health Department - <https://www.berriencounty.org/278/Health-Department>

Calhoun County Public Health Department -

https://www.calhouncountymi.gov/departments/public_health_department/index.php

Chippewa County Health Department - <https://www.chippewahd.com>

Genesee County Health Department -

https://www.geneseecountymi.gov/departments/health_department/index.php

Grand Traverse County Health Department - <https://www.gtcountymi.gov/2211/Health>

Huron County Health Department - <https://www.hchd.us>

Ingham County Health Department - <https://health.ingham.org/health/index.php>

Ionia County Health Department - <https://ioniacounty.org/health/health-department/>

Jackson County Health Department - <https://www.co.jackson.mi.us/3077/Health-Department>

Kalamazoo County Health and Community Services - <https://www.kalcounty.com/hcs/>

Kent County Health Department - <https://www.accesskent.com>

Lapeer County Health Department -

<https://www.lapeercountymi.gov/departments/health/>

Lenawee County Health Department - <https://www.lenawee.mi.us/1077/Health-Department>

Livingston County Health Department - <https://milivcounty.gov/health/>

Macomb County Health Department - <https://www.macombgov.org/departments/health-department>

Marquette County Health Department -

https://www.co.marquette.mi.us/departments/health_department/index.php

Midland County Health Department - <https://midlandcountymi.gov/health>

Monroe County Health Department - <https://www.co.monroe.mi.us/255/Health-Department>

Oakland County Health Division - <https://www.oakgov.com/community/health>

Ottawa County Department of Public Health - <https://www.miottawa.org/health/>

Public Health of Muskegon County - <https://www.co.muskegon.mi.us/1712/Public-Health>

Saginaw County Health Department - <https://www.saginawpublichealth.org>

Sanilac County Health Department - <https://www.sanilachealth.com>

Shiawassee County Health Department - <https://shiawasseechd.net>

St. Clair County Health Department - <https://stclaircounty.org/PageBuilder/scchd/>

Tuscola County Health Department - <https://www.tchd.us>

Washtenaw County Health Department - <https://www.washtenaw.org/1129/Health-Department>

Wayne County Department of Health, Veterans & Community Wellness -
<https://www.waynecounty.com/departments/hhvs/public-health.aspx>

District Health Departments

Barry-Eaton District Health Department - <https://barryeatonhealth.org>
Benzie-Leelanau District Health Department - <https://www.bldhd.org>
Branch-Hillsdale-St. Joseph Community Health Agency - <https://bhsj.org>
Central Michigan District Health Department - <https://www.cmdhd.org>
Dickinson-Iron District Health Department - <https://didhd.org>
District Health Department #2 - <https://www.dhd2.org>
District Health Department #4 - <https://www.dhd4.org>
District Health Department #10 - <https://www.dhd10.org>
Health Department of Northwest Michigan - <https://nwhealth.org>
Luce-Mackinac-Alger-Schoolcraft District Health Department - <https://www.lmasdhd.org>
Mid-Michigan District Health Department - <https://www.mmdhd.org>
Public Health of Delta & Menominee Counties - <https://www.phdm.org>
Van Buren/Cass County District Health Department - <https://vbcassdhd.org>
Western Upper Peninsula District Health Department - <https://www.wupdhd.org>

Internal Organizational Structure and Rules of Conduct for the Michigan Association for Local Public Health

Public Health Administrators Forum

Article I: Name

This Michigan Association for Local Public Health (MALPH) forum shall be known as the Public Health Administrators Forum (PHAF). This forum is established under the Bylaws of Michigan Association for Local Public Health (Article V, Section 1.A.4., Sixth Amendment, December 8, 1997). [This Forum was formerly known as the Michigan Association of Local Public Health Administrators and as the Public Health Administrative Officers Forum.]

Article II: Purpose and Functions

The purposes and functions of the PHAF are:

1. To monitor and offer guidance to MALPH concerning technical issues and developments related to fiscal development, planning, accountability, and policy development in public health.
2. To monitor legislative developments and offer guidance to MALPH in matters related to the public health issues identified above.
3. To address such issues and carry out such duties as may be assigned by the MALPH President, or the Board of Directors of MALPH.
4. To improve the professional education, training and growth of forum members and other public health professionals as it relates to the PHAF sphere of competence.

Article III: Responsibilities

The PHAF is responsible for:

1. The establishment and maintenance of an internal organizational structure.
2. The conduct of meetings to address Forum business, at a frequency of not less than twice annually. The PHAF shall regularly meet on a monthly basis.
3. The preparation of an annual statement of goals and supporting budget for the coming year, to be submitted to the MALPH Board of Directors.

Article IV. Membership

1. Each Local Public Health Department in Michigan shall appoint a local health department administrator who is not the local health officer as the primary designee to the PHAF.
2. The primary PHAF designee, upon notification of the health officer, may designate up to two alternate representatives to present an issue and/or represent the agency at a PHAF meeting.
3. Each local public health jurisdiction shall have one vote. The primary designees shall cast votes for their jurisdiction. An alternate representative may vote in the absence of their primary designee.
4. Only primary designees may hold a PHAF office. Alternate members may not hold office but may serve on PHAF committees and/or represent PHAF on MALPH committees.
5. Non-members may be invited to attend open meetings by PHAF members.

Article V: Officers

1. Officers of PHAF shall be established and ranked as follows:
 - A. President;
 - B. Vice President;
 - C. Secretary and;
 - D. Treasurer.
2. Candidates for office shall be the primary designee of their jurisdiction. A slate of candidates shall be recommended by a nominating committee appointed by the PHAF President.
3. A nominating committee, comprised of at least four primary designees, shall be appointed by the President at least two months prior to the PHAF Annual Meeting to prepare and recommend a slate of candidates for office at the regularly scheduled monthly meeting immediately preceding the Annual Meeting.

Public Health Administrators Forum

4. Annual elections shall be held at the PHAF Annual Meeting. All elections shall be by simple majority of votes cast.
5. Terms of office shall be one year, or until the next PHAF Annual Meeting.
6. In the event that an officer, for any reason, vacates a PHAF office before the term has expired, the ranking officer shall appoint a nominating committee who will recommend a candidate and provide voting membership with advance notification that a special election to fill the vacant position for the remainder of the term shall be placed on the agenda for the next scheduled meeting.

Article VI Duties of Officers

1. The President shall preside at meetings of the PHAF and carry out functions as are necessary to the operation of the Forum and may appoint committees and representatives to committees as deemed necessary. The President shall represent the PHAF as an ex-officio member of the MALPH Board of Directors. The President shall determine and assure meeting locations, set the agenda, arrange the telecommunication linkage and shall assure that notification of meeting location and time are posted on “Healthline” under the Administrators Forum bulletin board.
2. The Vice President shall assume the duties of the President in the absence of the President. The Vice President shall coordinate the preparation of the “Annual Statement of Goals and Objectives” with supporting budget for the coming year, which will be submitted to the MALPH Board of Directors.
3. The Secretary shall keep minutes of PHAF meetings, maintain and update the PHAF membership list, and handle other correspondence as required by the President. The Secretary shall assure that copies of minutes and membership lists are provided to MALPH. The Secretary informs the President of prior actions requiring ratification at a meeting.
4. The Treasurer shall be responsible for any funds allocated to or collected by the PHAF and any approved disbursements of such funds. The Treasurer shall prepare a monthly financial report for each regular meeting and an annual financial report for the PHAF Annual Meeting.

Article VII: Meetings

1. PHAF meetings shall be scheduled by the President monthly.
2. Special meetings may be called either by the President or at the request of five or more primary designees.

Public Health Administrators Forum

3. There shall be one Annual Meeting each September where officers of the PHAF are elected. The term of office of the officers begins with the adjournment of the PHAF Annual Meeting.
4. The order of business for the PHAF Annual Meeting shall be as follows:
 - (1) Call to Order
 - (2) Review and approval of minutes of the last Regular Meeting
 - (3) Review and approval of minutes of the last Annual Meeting
 - (4) Review and approval of the Annual Financial Report
 - (5) Report of Forum Officers
 - (6) MALPH Report
 - (7) State Agency Reports
 - (8) Report of Committee Chairs & Representatives
 - (9) Old Business
 - (10) New Business
 - (11) Election of Officers
 - (12) Adjournment
5. A quorum shall be deemed present if twenty percent of the jurisdictions are present at any meeting. Voting members who participate in any meeting via adequate telecommunications (one where verbal communication can be understood in the primary meeting location) shall be judged present for purposes of a quorum. Their votes are to be counted as present.

Article VIII: Membership Fees

1. The PHAF may establish a schedule of Forum membership fees, if deemed appropriate and necessary for conducting the business of the Forum, by two-thirds (2/3) of the voting members present at any regular meeting.

Article IX: Amendments to the Internal Organizational Structure and Rules of Conduct for the Public Health Administrators Forum

1. The Internal Organizational Structure and Rules of Conduct for the PHAF may be amended at any meeting by a two-thirds (2/3) vote of the voting members present, provided that notice has been posted to the membership on the Healthline Administrators Forum bulletin board at least 21 days before the scheduled meeting date and such contemplated action has been incorporated in the notice of the meeting. Proposed changes must be posted on the Healthline Administrators Forum bulletin board at least 14 days prior to the scheduled meeting date.

Public Health Administrators Forum

Article X: Communication

1. The primary means of communications for PHAF members shall be via the Healthline bulletin board for the Administrators Forum.

Article XI: Parliamentary Authority

1. The rules contained in Roberts Rules of Order, Newly Revised, 1990, shall govern this forum in all cases to which they are applicable and in which they are not inconsistent with these Internal Organizational Structure and Rules of Conduct. The voting members may suspend Roberts Rules of Order, Newly Revised, 1990, by a majority vote of the quorum present.

Original Bylaws Adopted May 17, 1973

First Bylaw Revision January 28, 1975

Section Bylaw Revision August 19, 1981

Section Bylaw Revision February 4, 1986

Section Bylaw Revision February 20, 1990

Bylaws Revised as Internal Organizational Structure
and Rules of Conduct March 12, 1998

STATE OF MICHIGAN
General Retention Schedule #7 - Local Health Departments

Program Area	Item #	Series Title	Series Description	Retention Period	Approval Date
Administration	00000 -	Introduction	Local Health Departments (LHDs) provide programs and services to protect and improve the health of families and communities in their jurisdiction through the promotion of healthy lifestyles, research for disease and injury prevention, environmental hazard mitigation and prevention, the detection and control of infectious diseases, and emergency preparedness and response. Where applicable, LHDs should comply with General Schedule #1 for Nonrecord Materials, General Schedule #26 for Local Government Human Resources, and General Schedule #31 for Local Government Financial Records. These schedules are available online at www.michigan.gov/recordsmanagement/.		
Administration	7.001 -	Periodic Activity Reports (supersedes item #7.070)	These records document an individual or a government agency's progress with their duties and activities. They are prepared periodically (weekly, monthly, annually, etc.) They may include, but may not be limited to, reports (narrative and/or statistical), and supporting documentation.	RETAIN UNTIL: Date created PLUS: 3 years THEN: Destroy	10/5/2004
Administration	7.016 -	Subject Files	These records document various topics, issues, projects or activities that an agency/employee is involved in. <i>Subject files are generally organized alphabetically by topic.</i> Subject files may include, but may not be limited to, topical reference files about issues, strategic planning files for the agency or specific initiatives, and special project files. Document types may include, but may not be limited to, topical correspondence, memoranda, reports, research, articles, meeting notes, and related background materials. Subject files do NOT include case files, human resource files, accounting records and other specific function-based records.	RETAIN UNTIL: Activity related to the subject ends PLUS: 5 years THEN: Destroy	10/5/2004
Administration	7.017 -	Forms History Records	These records document the changes that are made to forms over time. They may include, but may not be limited to, each version of a form, and supporting documentation.	RETAIN UNTIL: Form is obsolete THEN: Destroy	10/5/2004
Administration	7.018 -	Freedom of Information Act (FOIA) Requests	These records document requests for information and public records maintained by state agencies. They may include, but may not be limited to, requests for information, correspondence, a copy of the information released, and billing documentation.	RETAIN UNTIL: Request is fulfilled PLUS: 1 year THEN: Destroy	10/5/2004

STATE OF MICHIGAN
General Retention Schedule #7 - Local Health Departments

Program Area	Item #	Series Title	Series Description	Retention Period	Approval Date
Administration	7.019 -	General Correspondence	These records document general inquiries for information and assistance. They do not pertain to a specific issue or case. <i>They are often organized chronologically or by correspondent's name.</i> General correspondence may include referral correspondence. If the correspondence does pertain to a specific issue it should be filed with other relevant records. General correspondence may exist in a variety of formats, including memos, letters, notes and electronic mail messages. These records also include automated or manual tools that index and/or track when correspondence was received, the topic of the correspondence, who is responsible for responding to the correspondence, and when the correspondence is considered closed for further action.	RETAIN UNTIL: Date created PLUS: 2 years THEN: Destroy	10/5/2004
Administration	7.020 -	Legislative Records	These records document involvement in the legislative process both at the state and federal levels. They may include, but may not be limited to, bills, bill analyses, program bulletins, and correspondence.	RETAIN UNTIL: Date created PLUS: 5 years THEN: Destroy	10/5/2004
Administration	7.021 -	Litigation Files	These records document litigation to which an agency is a party. They may include, but may not be limited to, depositions, transcripts, decisions, correspondence, data, exhibits, research materials, reports, press releases, and media clippings.	RETAIN UNTIL: Final disposition of the case (including appeals) PLUS: 5 years THEN: Destroy	4/24/2018
Administration	7.022 -	Policies and Procedures	These records document agency expectations for employee conduct and customer interaction, public conduct when receiving services, roles and responsibilities, standards for operation, procedures and activities of an office, etc. They may include, but may not be limited to, policies, procedures, orders, regulations, circulars, policy memos, information sheets, standards, instructions, user manuals, process maps and analyses, and supporting documentation.	RETAIN UNTIL: Replaced by a new approved version THEN: Destroy	4/24/2018
Administration	7.023 -	Policy Development Records	These records document the development and promulgation of official policies and procedures. They may include, but may not be limited to, memos, copies of legal decisions, statutes, bulletins, newspaper clippings, drafts, revisions, copies of policies and procedures, and supporting documentation.	RETAIN UNTIL: effective date of the policy/ procedure or the last date of revision, whichever is later THEN: Destroy	10/5/2004

STATE OF MICHIGAN
General Retention Schedule #7 - Local Health Departments

Program Area	Item #	Series Title	Series Description	Retention Period	Approval Date
Administration	7.024 -	Transitory Records	These records document agency activities, but have temporary value, and do not need to be retained once their intended purpose has been fulfilled. These records are not an integral part of administrative or operational activities, are not required to sustain administrative or operational functions, are not regularly filed in a standard recordkeeping system, are not required to meet statutory obligations, and are recorded only for the time required for the completion of actions. Examples of transitory records include routine requests for information that require no administrative actions or policy decisions, special compilation or research; requests to order supplies; reminders for an upcoming meeting, etc.	RETAIN UNTIL: Activity is completed THEN: Destroy	4/24/2018
Administration	7.032 -	Board of Health Meeting Records	These records document the official activities of the Board of Health. They may include, but may not be limited to, original approved (sometimes signed) meeting minutes, agendas, audio/visual recordings, and supporting documentation. If audio/visual recordings are transcribed, the original recordings can be destroyed, and the transcriptions will be preserved instead. If audio/visual recordings are not transcribed, the original recordings shall be retained. These records do not include meeting notices, bulletins, or documentation of expenditures.	Permanent. If changed, transfer to the Archives of Michigan.	10/5/2004
Administration	7.033 -	Meeting Records	These records document internal departmental, division, and other staff meetings. They may include, but may not be limited to, meeting minutes, agendas, and distribution materials.	RETAIN UNTIL: Date created PLUS: 2 years THEN: Destroy	4/24/2018
Administration	7.034 -	Open Meeting Transcripts	These records document approved transcripts of open meetings.	Permanent. If changed, transfer to the Archives of Michigan.	10/5/2004
Administration	7.035 -	Closed Meeting Records	These records document closed meeting sessions only. They may include, but may not be limited to, original approved (sometimes signed) meeting minutes, agendas, audio/visual recordings, and supporting documentation.	RETAIN UNTIL: 1 year and 1 day after approval of the minutes of the regular meeting at which the closed session occurred, per MCL 15.263 sec (3)(5) THEN: Destroy	4/24/2018

STATE OF MICHIGAN
General Retention Schedule #7 - Local Health Departments

Program Area	Item #	Series Title	Series Description	Retention Period	Approval Date
Administration	7.059 -	Agency Internal Newsletters	These records document information that is distributed internally to employees.	RETAIN UNTIL: Date created PLUS: 1 year THEN: Destroy	10/5/2004
Administration	7.060 -	Publications	These records document information that is published by the agency for the public. They may include, but may not be limited to, brochures, newsletters, promotional videos, promotional social media postings, and annual reports.	RETAIN UNTIL: Superseded by a new version THEN: Destroy	10/5/2004
Administration	7.061 -	News Service Clippings	These records document news media articles about the LHD.	RETAIN UNTIL: Date created PLUS: 5 years THEN: Destroy	10/5/2004
Administration	7.062 -	Photographs, Films, Videos and Memorabilia	These records document events and activities of the government agency. They may include, but may not be limited to, photographs, videos, news clippings, certificates, and awards.	RETAIN UNTIL: Date created PLUS: 5 years THEN: Destroy	4/24/2018
Administration	7.063 -	Press Releases	These records document official statements that are released by the LHD to inform the public.	RETAIN UNTIL: Date created PLUS: 5 years THEN: Destroy	10/5/2004
Administration	7.064 -	Publication Development Records	These records document the development of publications. They may include, but may not be limited to, drafts, and supporting documentation.	RETAIN UNTIL: Publication is finalized THEN: Destroy	4/24/2018
Administration	7.192 -	Safety and Public Incident Reports	These records document incidents involving employees and the public, such as evacuations, quarantines, exposures, etc.	RETAIN UNTIL: Date created PLUS: 12 years THEN: Destroy	4/24/2018
Administration	7.193 -	Hazardous Materials Safety Data Sheets	These records document hazardous material on the premises. They may include, but may not be limited to, product manufacturer, composition, physical and chemical properties, identification of hazards, fire hazard, accidental release measures, handling and storage, first aid measures, toxicology, ecological information, disposal and transport considerations, and regulatory information. (OSHA 29 CFR1910.1200.g)	RETAIN UNTIL: Hazardous material is not in use nor stored on the property PLUS: 30 years THEN: Destroy	10/5/2004

STATE OF MICHIGAN
General Retention Schedule #7 - Local Health Departments

Program Area	Item #	Series Title	Series Description	Retention Period	Approval Date
Administration	7.204 -	Emergency Plans	These records document plans for responding to public health emergencies within a jurisdiction. They may include, but may not be limited to, plans, appendices, contact lists, supporting documentation, resources, and vaccination and medication dispensing information (medical counter measures).	RETAIN UNTIL: Superseded by a new version THEN: Destroy	4/24/2018
Administration	7.205 -	PHEP Cooperative Agreement Administration	These records document agreements between the State of Michigan and local health departments to administer funds from the public health emergency preparedness cooperative (PHEP) agreement. They may include, but may not be limited to, agreements, work plans, progress reports, correspondence, and meeting minutes.	RETAIN UNTIL: Agreement expires PLUS: 6 years THEN: Destroy	4/24/2018
Administration	7.206 -	Emergency Drills, Exercises, and Response Activities	These records document drills and exercises conducted by the LHD to prepare for, respond to, and recover from emergencies, as well as actual responses to emergencies. They may include, but may not be limited to, situation manuals, player handbooks, after action reports and improvement plans, evaluation materials, multi-year training and exercise plans, training and exercise planning workshop documentation, incident action plans, and situation reports.	RETAIN UNTIL: Date created PLUS: 7 years THEN: Destroy	4/24/2018
Administration	7.225 -	Accreditation Records	These records document accreditation review of the LHD. They may include, but may not be limited to, reports, reviews, findings, correspondence, and supporting documentation.	RETAIN UNTIL: Two review cycles are completed THEN: Destroy	5/24/2022
Clinical Services and Programs	7.075 -	Adverse Reaction Forms	These records document any time a client has an adverse reaction to a vaccine. They may include, but may not be limited to, VAERS-1 Forms, and supporting documentation.	RETAIN UNTIL: date the form is completed, or until a minor client is past the age of majority. If involved in litigation, retain until the case is resolved. PLUS: 7 years THEN: Destroy	10/5/2004
Clinical Services and Programs	7.076 -	Biologics Vaccine Records (supersedes item #7.077 - 7.083)	These records document the storage, handling and administration of biologics vaccines. They may include, but may not be limited to, storage and handling reports, accident cost reports, doses administered reporting forms, vaccine inventory reports, provider enrollment forms, and provider profiles.	RETAIN UNTIL: Fiscal year ends PLUS: 3 years THEN: Destroy	4/24/2018

STATE OF MICHIGAN
General Retention Schedule #7 - Local Health Departments

Program Area	Item #	Series Title	Series Description	Retention Period	Approval Date
Clinical Services and Programs	7.126 -	Immunization Records (supersedes item #7.127)	These records document immunizations that are provided. They may include, but may not be limited to, signature record cards (DCH-0606), and vaccine administration records (IP-95).	RETAIN UNTIL: Date vaccine is given (if an adult) PLUS: 10 years OR RETAIN UNTIL: Age of majority (if a minor) PLUS: 7 years THEN: Destroy	4/24/2018
Clinical Services and Programs	7.128 -	Immunizations--School Children (supersedes item #7.129, 7.130)	These records document immunizations that are provided to school children. They may include, but may not be limited to, school entrants immunization report forms (DCH-0662), child care center immunization report forms (DCH0663), and summary report forms (DCH-0695).	RETAIN UNTIL: End of the school year PLUS: 2 years THEN: Destroy	4/24/2018
Clinical Services and Programs	7.186 -	Substance Abuse Disorder Program Files	These records document licenses that are issued by the Michigan Department of Licensing and Regulatory Affairs (LARA) to LHDs to conduct substance abuse disorder programs. They may include, but may not be limited to, licenses, contracts, statistical data, and correspondence.	RETAIN UNTIL: Date created PLUS: 6 years THEN: Destroy	4/24/2018
Clinical Services and Programs	7.187 -	Certified Diabetes Self-Management Education Programs	These records document the certification of diabetes self-management education programs. They may include, but may not be limited to, applications for certification and re-certification, supporting documentation, annual reports, statistical reports, and change reports.	RETAIN UNTIL: Date created PLUS: 7 years THEN: Destroy	10/5/2004
Clinical Services and Programs	7.200 -	Programmatic Administrative Records	These records document the administration of a particular program or service. They may include, but may not be limited to, reference materials, reports, in-service materials, evaluations, meeting notes, and statistical reports.	RETAIN UNTIL: Date created PLUS: 10 years THEN: Destroy	4/24/2018
Clinical Services and Programs	7.201 -	Client Files and Charts (supersedes item #7.074, 7.084, 7.086, 7.089, 7.116, 7.120, 7.121, 7.122, 7.123, 7.124, 7.125, 7.131, 7.132, 7.135, 7.136, 7.137, 7.138, 7.182, 7.183, 7.184, 7.185)	These records document clinical services provided to a client. They may include, but may not be limited to, the following programs: adolescent health, vaccinations, breast and cervical cancer control, childhood lead poisoning prevention and treatment, children's special health care services, disease investigation and surveillance, family planning, hearing and vision services, immunizations, maternal and infant health, pre-natal care, nursing, teen parent, WIC (women, infants and children), early periodic screening, diagnosis and treatment, HIV, STDs, Partner Services (for non-HIV cases), and substance abuse disorder programs.	RETAIN UNTIL: Date of last service, or until a minor reaches the age of 18, whichever is longer PLUS: 7 years THEN: Destroy	4/24/2018

STATE OF MICHIGAN
General Retention Schedule #7 - Local Health Departments

Program Area	Item #	Series Title	Series Description	Retention Period	Approval Date
Clinical Services and Programs	7.202 -	Medical Examiner Files	These records document how the medical examiner determines the cause of death. They may include, but may not be limited to, autopsy reports, medical examiner investigator (MEI) reports, medical examination notes, photos, death certificates, cremation permits, EMS reports, police reports, medical records and doctor reports, lab results, toxicology reports, sudden and unexplained child death scene investigation forms, contact information, and record requests.	RETAIN UNTIL: Date created PLUS: 7 years THEN: Destroy	4/24/2018
Clinical Services and Programs	7.203 -	Michigan Care Improvement Registry (MCIR) Record Requests	These records document requests from parents, case workers, guardians, etc. They may include, but may not be limited to, requests, responses, a copy of a driver's license, and supporting documentation.	RETAIN UNTIL: Date created PLUS: 3 months THEN: Destroy	4/24/2018
Clinical Services and Programs	7.211 -	Partner Services Files for HIV Cases	These records document how the LHD delivers partner services for a person living with HIV or their at-risk partner. They may include, but may not be limited to, referral to another jurisdiction within or outside of Michigan, investigation documents, referral into a designated care/case management agency, and early intervention services.	RETAIN UNTIL: LHD receives the information PLUS: 1 year THEN: Destroy	8/18/2020
Environmental Health	7.158A -	Environmental Health Incident and Complaint Files - Minor (supersedes item #7.158, 7.168)	These records document incidents and complaints related to environmental health that are unfounded, minor in nature, referred to other agencies for response, or otherwise resolved, that were received from individuals, businesses, and community organizations. They may include, but may not be limited to, incident or complaint data and documentation, responses, investigation documents, and correspondence.	RETAIN UNTIL: Investigation is completed PLUS: 3 years THEN: Destroy	5/24/2022
Environmental Health	7.158B -	Environmental Health Incident and Complaint Files - Potential for Ongoing Environmental Impact (supersedes item #7.158)	These records document incidents and complaints related to environmental health that have potential for long-term impact to the environment that were received from individuals, businesses, and community organizations. They may include, but may not be limited to, long-term drinking water monitoring results, incident or complaint data and documentation, responses, investigation documents, inspection documents, and correspondence.	RETAIN UNTIL: All regulatory matters related to the presence of contaminants are closed, or no further action is required PLUS: 50 years THEN: Destroy	5/24/2022
Environmental Health	7.169 -	Food Service - Temporary Food Establishment Licenses	These records document licenses that are issued to food service establishments that will only be operating on a temporary basis. They may include, but may not be limited to, applications, supporting documentation and licenses.	RETAIN UNTIL: Date created PLUS: 3 years THEN: Destroy	9/25/2018

STATE OF MICHIGAN
General Retention Schedule #7 - Local Health Departments

Program Area	Item #	Series Title	Series Description	Retention Period	Approval Date
Environmental Health	7.170 -	Legal and Enforcement Records	These records document legal and enforcement actions. They may include, but may not be limited to, correspondence, notices, and legal documents.	RETAIN UNTIL: Enforcement action is completed PLUS: 10 years THEN: Destroy	5/24/2022
Environmental Health	7.172 -	Food Service - Outbreak Investigations	These records document investigations into foodborne illness outbreaks. They may include, but may not be limited to, lab results, notes, correspondence, and supporting documentation.	RETAIN UNTIL: Date created PLUS: 5 years THEN: Destroy	4/24/2018
Environmental Health	7.181 -	Construction Plans and Specifications (supersedes item #7.175)	These records document the review of construction plans and specifications conducted by environmental health programs when the LHD is responsible for construction approval. They may include, but may not be limited to, plans, permit applications, specifications, issued permits, and supporting documentation.	RETAIN UNTIL: Approved or denied PLUS: 5 years THEN: Destroy	5/24/2022
Environmental Health	7.194 -	Inspection and Monitoring Records (supersedes item #7.159, 7.165, 7.178, 7.210)	These records document the licensing, inspection and monitoring of public swimming pools, campgrounds, child day care facilities, adult foster care facilities, health care facilities, food service establishments, body art facilities, and any other locations within the LHD's jurisdiction. They may include, but may not be limited to, license applications, annual inspection reports, 30-day operational reports submitted by owners/operators, and water sample data.	RETAIN UNTIL: Date created PLUS: 5 years THEN: Destroy	5/24/2022
Environmental Health	7.212A -	Public Water Supply Permit Files - Constructed (supersedes item #7.175, 7.181)	These records document permits that are issued public water supplies regulated by the LHD. They may include, but may not be limited to, construction plans, specifications, studies, permit documents, decisions, determinations, and supporting documentation.	RETAIN UNTIL: Facility or structure is no longer in use for a purpose regulated by the health department PLUS: 5 years THEN: Destroy	5/24/2022
Environmental Health	7.212B -	Public Water Supply Permit Files - Not Constructed (supersedes item #7.175, 7.181)	These records document permits that are issued for public water supplies regulated by the LHD, but are not constructed. They may include, but may not be limited to, construction plans, specifications, studies, permit documents, decisions, determinations, and supporting documentation.	RETAIN UNTIL: Verification that construction will not happen THEN: Destroy	5/24/2022

STATE OF MICHIGAN
General Retention Schedule #7 - Local Health Departments

Program Area	Item #	Series Title	Series Description	Retention Period	Approval Date
Environmental Health	7.213 -	Regulatory Monitoring Records	These records document a public water supply's compliance with Act 399. They may include, but may not be limited to, monitoring schedules, sanitary surveys, assessments, reports, monthly operation reports (MORs), nonmicrobial monitoring documents, consumer and public notices, certificates, decisions, determinations, source water assessments, variances, and exemptions.	RETAIN UNTIL: Date created PLUS: 12 years THEN: Destroy	5/24/2022
Environmental Health	7.214 -	Microbial Monitoring Records	These records document microbial monitoring activities of public water supplies in compliance with Act 399. They may include, but may not be limited to, analyses of microbiological, turbidity, and disinfection sampling documents.	RETAIN UNTIL: Date created PLUS: 3 years THEN: Destroy	5/24/2022
Environmental Health	7.215 -	Well Construction Quarterly Report Data	These records document reporting by local health departments on a quarterly basis of well construction activity. They may include, but may not be limited to, number of well permits, number of final inspections, and number of wells plugged in the private and type 3 program components.	RETAIN UNTIL: Date created PLUS: 1 year THEN: Destroy	5/24/2022
Environmental Health	7.216 -	Water Supply Evaluation Data	These records document the operational performance of Type 2 noncommunity public water supplies, private, and Type 3 public water supplies. They may include, but may not be limited to, the results of the minimum program requirement (MPR) evaluations, lists of MPRs that were not met, specific areas needing improvement, compliance plans, and approval dates.	RETAIN UNTIL: Date created PLUS: 3 years THEN: Destroy	5/24/2022
Environmental Health	7.217 -	Subdivision Files	These records document whether housing subdivisions, using privately-owned water and sewerage facilities and subsurface sewage disposal systems up to 10,000 gallons per day (GPD), meet certain specifications. They may include, but may not be limited to, notices of intent to construct, plat maps, correspondence, site reports, well logs, hydrological reports, engineering reports, deeds, violations, copies of restrictions, and legal documents.	Permanent	5/24/2022
Environmental Health	7.218 -	On-Site Sewage, Private, and Type II and III Water Well Permit Files	These records document permits issued for private water and sewage disposal systems. They may include, but may not be limited to, correspondence, field reports, legal documents, engineering plans, water well logs, technical assistance received by LHDs from EGLE, final inspections, and final disposition.	RETAIN UNTIL: Drinking water and waste water are provided by a municipal system, and the well and septic system are properly abandoned PLUS: 2 years THEN: Destroy	5/24/2022

STATE OF MICHIGAN
General Retention Schedule #7 - Local Health Departments

Program Area	Item #	Series Title	Series Description	Retention Period	Approval Date
Environmental Health	7.219 -	Septage Hauler and Vehicle License Files	These records document the licensing of domestic septage haulers and vehicles. The licenses are issued on a five-year cycle. They may include, but may not be limited to, correspondence, inspection reports, license applications, licenses, credentials, checklists, insurance documents, and vehicle registrations.	RETAIN UNTIL: License expires PLUS: 2 years THEN: Destroy	5/24/2022
Environmental Health	7.220 -	Septage Land Site Files	These records document the operation of septage waste land sites. They may include, but may not be limited to, licenses, inspections, and supporting documentation.	RETAIN UNTIL: Site is no longer active PLUS: 30 years THEN: Destroy	5/24/2022
Environmental Health	7.221 -	Temporary Campground Files and Data	These records document the review and approval of temporary campground facilities. They may include, but may not be limited to, correspondence, applications, inspections, site plans or other facility information, agreements or contracts, payment information, and supporting documentation.	RETAIN UNTIL: Temporary campground no longer operates PLUS: 3 years THEN: Destroy	5/24/2022
Environmental Health	7.222 -	Manufactured Housing Community License Denial Files	These records document the denial of manufactured housing licenses. They may include, but may not be limited to, denial letters received from the Department of Licensing and Regulatory Affairs (LARA), and supporting documentation. LHD should provide a "certification or recommendation letter" to the owner for Type 2 water systems. Unless denied because of deficiencies that are a public health concern or are long overdue.	RETAIN UNTIL: Issue is resolved, or no longer licensed, or connected to municipal water supply PLUS: 6 years THEN: Destroy	5/24/2022

State of Michigan
Records Management Services
General Schedule #35 – Local Government Administrative Records

Item #	Series Title	Series Description	Retention Period	Approval Date
100	Administrative Subject Files	These records document various topics, issues, projects, or activities that a local government agency or employee is involved in. They may include, but may not be limited to, topical reference files about issues, strategic planning files for the agency or specific initiatives, special project files, budget documents, audit documents, and development files for policies, press releases, publications, and forms. Document types may include topical correspondence, memoranda, reports, research, articles, meeting notes, and related background materials.	RETAIN UNTIL: Topic no longer possesses ongoing administrative or reference value PLUS: 5 years THEN: Destroy	6/6/2023
101	Calendars and Planners	These records document an individual employee's work-related meetings, assignments, and tasks. They may include, but may not be limited to, appointments, meetings, calendars, and planners.	RETAIN UNTIL: Event date PLUS: 2 years OR RETAIN UNTIL: Employee separation PLUS: 30 days THEN: Destroy	6/6/2023
102	Correspondence Records - General	These records document correspondence received or sent that is not pertinent to an active project, matter, or case being handled by the local government. They may include, but may not be limited to, requests for information that do require administrative action, a policy decision, special compilation of research, analysis, or referral correspondence. This series also includes correspondence indexing and tracking tools.	RETAIN UNTIL: Date sent or received PLUS: 2 years THEN: Destroy	6/6/2023
103	Delegation of Authority Records	These records document when an individual or entity delegates its authority to conduct or approve an action or activity to another individual or entity. They may include, but may not be limited to, correspondence and supporting documentation.	RETAIN UNTIL: Delegation of authority expires, is replaced, or is revoked PLUS: 10 years THEN: Destroy	6/6/2023

State of Michigan
Records Management Services
General Schedule #35 – Local Government Administrative Records

Item #	Series Title	Series Description	Retention Period	Approval Date
104	Department Budget Records	These records document the amount of money that is appropriated for each account or line item for the current and previous fiscal years for the department. They may include, but may not be limited to, budget requests, statistics, budget amendments, budget summaries, and balance sheets.	RETAIN UNTIL: Fiscal year ends PLUS: 5 years THEN: Destroy	6/6/2023
105	Event Logistical Records	These records document the planning and logistics for events (routine or special), training, workshops, seminars, conferences, symposiums, informational meetings, etc. They may document arrangements with speakers, facilities, catering, registrations, participant feedback, etc. They may include, but may not be limited to, registration forms, attendance sheets, correspondence, planning notes, and participant surveys and evaluations. <i>Note: specific state or federal laws or regulations may require that these records be kept longer to document compliance with education requirements about certain topics. If so, agencies should comply with those laws and regulations.</i>	RETAIN UNTIL: Event date PLUS: 2 years THEN: Destroy	6/6/2023
106	Forms History Records	These records document each form or template used by an agency. They may include, but may not be limited to, approved versions of the forms and templates, and requests to create or revised forms and templates.	RETAIN UNTIL: Document is replaced by a new version PLUS: 5 years THEN: Destroy	6/6/2023
107	Freedom of Information Act (FOIA) Request Records	These records document requests for information and public records maintained by local government agencies. They may include requests for information, correspondence, a copy of the information released, and billing documentation. (MCL 15.233 (2))	RETAIN UNTIL: Response is sent, or request is denied PLUS: 1 year THEN: Destroy	6/6/2023
108	Grant Application Files - Denied	These records document grants that were applied for, but were not received. They may have reference value for preparing future grant applications. They may	RETAIN UNTIL: Grant application is denied or withdrawn	6/6/2023

State of Michigan
Records Management Services
General Schedule #35 – Local Government Administrative Records

Item #	Series Title	Series Description	Retention Period	Approval Date
		include, but may not be limited to, application forms, budget proposals, letters of support, narrative plans, and supporting documentation.	PLUS: 1 year THEN: Destroy	
109	Grant Files - Received	These records document grants that are received by the office from state, federal and private agencies. They may include applications, budgets, worksheets, adjustments, plans, rules and regulations, award letters, committee records, staffing sheets with account numbers, grant evaluation and monitoring reports, audits, and periodic progress reports.	RETAIN UNTIL: Grant is closed out, unless otherwise specified by the granting agency for auditing purposes PLUS: 7 years THEN: Destroy	6/6/2023
110	Legislative Records	These records document local government agency involvement in the legislative process both at the local, state, and federal levels. They may include, but may not be limited to, copies of proposed local ordinances or resolutions, copies of proposed House and Senate bills, analyses, program bulletins, and correspondence. They do not include the records maintained by the governing body.	RETAIN UNTIL: Legislation is passed or abandoned PLUS: 5 years THEN: Destroy	6/6/2023
111	Litigation Files	These records document litigation that the local government is a party to. They may include, but may not be limited to, pleadings and filings made with courts, decisions from courts, correspondence and communications, discovery materials, transcripts, legal holds, and memoranda. They do not include the official litigation files maintained by the local government's legal counsel.	RETAIN UNTIL: Case is closed, including all appeals PLUS: 5 years THEN: Destroy	6/6/2023
112	Meeting Records - Audio and Video Recordings	These records document the official activities of public bodies that are subject to the provisions of the Open Meetings Act. They may include, but may not be limited to, audio and video recordings of meetings of a public body. (MCL 15.269)	RETAIN UNTIL: Meeting minutes are approved PLUS: 1 day THEN: Destroy	6/6/2023
113	Meeting Records - Internal Agency Staff,	These records document meetings of employees that are internal to local	RETAIN UNTIL: Meeting date	6/6/2023

State of Michigan
Records Management Services
General Schedule #35 – Local Government Administrative Records

Item #	Series Title	Series Description	Retention Period	Approval Date
	Project, and Committees	government. They may include, but may not be limited to, meeting minutes, agendas, recordings, and distribution materials.	PLUS: 2 years THEN: Destroy	
114	Meeting Records - Posted Notices of a Public Meeting	These records document the posting of notices that a public meeting will be held in compliance with the Open Meetings Act (MCL 15.265). They may include, but may not be limited to, posted notices of any meeting, including annual schedules and special meetings.	RETAIN UNTIL: Meeting is held or cancelled PLUS: 1 year THEN: Destroy	6/6/2023
115	Meeting Records - Public Body Closed Meetings	These records document the official activities of public bodies that are subject to the provisions of the Open Meetings Act (such as official governing boards, commissions, committees, advisory boards, task forces or other legislatively mandated decision-making bodies). They may include, but may not be limited to, approved meeting minutes, agendas, audio and video recordings, and other supporting documentation related to closed meeting sessions only.	RETAIN UNTIL: Approval of the minutes of the regular meeting at which the closed session occurred, per MCL 15.267(2) PLUS: 1 year and 1 day THEN: Destroy	6/6/2023
116	Meeting Records - Public Body Open Meetings	These records document the official activities of public bodies that are subject to the provisions of the Open Meetings Act (such as official governing boards, commissions, committees, advisory boards, task forces or other legislatively mandated decision-making bodies). They may include, but may not be limited to, approved meeting minutes, agendas, and other supporting documentation. The clerk may retain the official copy of the agenda packets and the minutes. If so, the department's copy would be a duplicate non-record.	Permanent	6/6/2023
117	Periodic Activity Reporting Records	These records document periodic progress reports (narrative and/or statistical) that are prepared by employees or offices about their duties and activities, and that are submitted to supervisors or managers.	RETAIN UNTIL: Calendar year ends PLUS: 5 years THEN: Destroy	6/6/2023

State of Michigan
Records Management Services
General Schedule #35 – Local Government Administrative Records

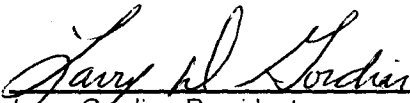
Item #	Series Title	Series Description	Retention Period	Approval Date
118	Policy and Procedure Records	These records document local government agency expectations for employee conduct and customer interaction, public conduct when receiving services, roles and responsibilities, standards for operation, procedures, and activities of an office, etc. They may include, but may not be limited to, policies, procedures, orders, regulations, circulars, policy memos, information sheets, standards, instructions, user manuals, process maps and analyses, and supporting documentation.	RETAIN UNTIL: Document is revised and superseded by a new version, or until the document is deemed obsolete THEN: Destroy	6/6/2023
119	Public Body Member Files – Elected or Appointed	These records document individuals who are elected, selected, or appointed to serve as a member of a public body (such as a board, council, or commission). They may include, but may not be limited to, appointment letters, resumes, biographies, photographs, correspondence, disclosure documents, and supporting documentation.	RETAIN UNTIL: Individual is no longer a member of the public body PLUS: 2 years THEN: Destroy	6/6/2023
120	Publications	These records document publications that are developed by local governments that are used to distribute information to the public or publicize local government activities. They may include, but may not be limited to, brochures, pamphlets, training materials, reports, fact sheets, books, magazines, newsletters, calendars, maps, posters, and public relations materials.	RETAIN UNTIL: No longer possesses ongoing administrative or reference value THEN: Destroy	6/6/2023
121	Rosters, Mailing Lists, and Contact Lists	These records document contact information for individuals or organizations with whom the local government agency communicates. They may be used to generate labels or other documents. They may contain name, email address, mailing address, phone numbers and other contact information.	RETAIN UNTIL: Updated or obsolete THEN: Destroy	6/6/2023
122	Special Event and Activity Records	These records document events and activities of the government agency. They may include, but may not be limited to, photographs, audio-video recordings, news	RETAIN UNTIL: No longer possesses ongoing administrative or	6/6/2023

State of Michigan
Records Management Services
General Schedule #35 – Local Government Administrative Records

Item #	Series Title	Series Description	Retention Period	Approval Date
		clippings, certificates, awards, and memorabilia.	reference value THEN: Destroy	
123	Surveillance Camera Recordings	These records document the surveillance of property for security purposes. They may include, but may not be limited to, video recordings.	RETAIN UNTIL: Date created PLUS: 30 days THEN: Destroy	6/6/2023
124	Training Records - Curriculum	These records document the content of training, education and information programs offered by local government agencies, as well as speeches and presentations delivered by local government employees. These programs may include workshops, seminars, conferences, symposiums, informational meetings, online training, etc. The records may include, but may not be limited to, presentations, audio-video content, manuals, guidance documents, tip sheets, handouts, class exercises, speaker notes, and user instructions. <i>Note: specific state or federal laws or regulations may require that these records be kept longer to document compliance with education requirements about certain topics. If so, agencies should comply with those laws and regulations.</i>	RETAIN UNTIL: Revised and replaced by new content, or until deemed obsolete THEN: Destroy	6/6/2023
125	Transitory Records	These records document local government activities that have temporary value and do not need to be retained once their intended purpose has been fulfilled. They may include, but may not be limited to, routine requests for information that require no: administrative action, policy decision, special compilation of research; requests or matters that are addressed by creating other records; and reminders.	RETAIN UNTIL: Activity is completed THEN: Destroy	6/6/2023
126	Visitor Logs and Registers	These records document who visited a particular office, what entity that person represented, which employee or office was visited, when they arrived, and when they left. They may be used to track visitor statistics and/or for security purposes.	RETAIN UNTIL: Calendar year ends PLUS: 5 years THEN: Destroy	6/6/2023

GENERAL SCHEDULE #31 – Local Government Financial Records

This Retention and Disposal Schedule covers financial records that are commonly maintained by counties, cities, townships, villages, public schools, local authorities, public colleges and public universities. The records that are described on the attached pages are deemed necessary (1) for the continued effective operation of Michigan government, (2) to constitute an adequate and proper recording of its activities, and (3) to protect the legal rights of the government of the State of Michigan and of the people. We, the undersigned, believe that this schedule meets the administrative, legal, fiscal and archival requirements of the State of Michigan.



Larry Gordier, President
Michigan Government Finance Officers Association

3/5/09

(Date)



Debra Gearhart, Director
Department of History, Arts and Libraries, Records Management Services

3/7/09

(Date)



Mark Harvey, State Archivist
Department of History, Arts and Libraries, Archives of Michigan

3/19/09

(Date)

APPROVED

State Administrative Board

4/7/09

(Date)

GENERAL RETENTION SCHEDULE #31

LOCAL GOVERNMENT FINANCIAL RECORDS

INTRODUCTION

Public Records

The Michigan Freedom of Information Act (FOIA) ([MCL 15.231-15.246](#)) defines public records as recorded information “prepared, owned, used, in the possession of, or retained by a public body in the performance of an official function, from the time it is created.”

Retention and Disposal Schedules

Michigan law (MCL [399.811](#) and [750.491](#)) requires that all public records be listed on an approved Retention and Disposal Schedule that identifies the minimum amount of time that records must be kept to satisfy administrative, legal, fiscal and historical needs. Local situations may require retention beyond the periods listed, and nothing prevents an office from retaining records longer than the specified period of time. Schedules also identify when records may be destroyed, and when certain records can be sent to the Archives of Michigan for permanent preservation. *Records cannot be destroyed unless their disposition is authorized by an approved Retention and Disposal Schedule.* All schedules are approved by the Records Management Services, the Archives of Michigan and the State Administrative Board. There are two types of schedules that government agencies may use:

- A “general schedule” will cover records that are common to a particular type of government agency, such as a finance department. General schedules may not address every single record that a particular office may have in its possession. *General schedules do not mandate that any of the records listed on the schedule be created.* However, if they are created in the normal course of business, the schedule establishes a minimum retention period for them.
- Any record that is not covered by a general schedule must be listed on an “agency-specific schedule” that will address records that are unique to a particular government agency. Agency-specific schedules always supersede general schedules. Agency-specific schedules only address the records of the agency named on the schedule, and may not be used by another agency.

This schedule supersedes General Schedule #8--section 6 and General Schedule #10--Accounting Department. Please note that personnel and payroll records are covered separately by [General Schedule #26 – Local Government Human Resources](#) which is available online at <http://www.michigan.gov/recordsmanagement/>.

Unofficial Documents

General Schedule #1 addresses the retention of “nonrecord” materials. These documents are broadly defined as drafts, duplicates, convenience copies, publications and other materials that do not document agency activities. These materials can be disposed of when they have served their intended purpose. Government agencies need to identify the “office of record” when multiple offices possess copies of the same record. The “office of record” is responsible for following the retention period that is specified, duplicates do not need to be retained. *For example, Treasurer’s are generally the official recordkeeper for investment records, but the Finance Office may have a copy.* A more comprehensive definition of “nonrecords” can be found in the approved schedule (available online at https://www.michigan.gov/documents/dtmb/RMS_GS1_640192_7.pdf).

Record Maintenance

Records can exist in a wide variety of formats, including paper, maps, photographs, microfilm, digital images, e-mail messages, databases, etc. The retention periods listed on this general schedule do not specify the format that the record may exist in, because each government agency that adopts this schedule may choose to retain its records using different recording media. Government agencies are responsible for ensuring that all of their records (regardless of format) are properly retained and remain accessible during this entire retention period. All records need to be stored in a secure and stable environment that will protect them from tampering, damage and degradation. Electronic records are dependent upon specific hardware and software to be accessed and used. It is important to understand that the original technology that is used to create electronic records will eventually become obsolete. As a result, government agencies should work with their information technology staff to develop preservation plans for retaining electronic records with long-term (more than 10 years) retention requirements. Various laws (including the Records Reproduction Act, [MCL 24.401-24.406](#)) identify acceptable formats for retaining public records; agencies are responsible for understanding and complying with these laws.

Suspending Destruction

Government agencies must immediately cease the destruction of all relevant records (even if destruction is authorized by an approved Retention and Disposal Schedule) if they receive a FOIA request, if they believe that an investigation or litigation is imminent, or if they are notified that an audit, investigation or litigation has commenced. If relevant records exist in electronic formats (such as e-mail, digital images, word processed documents, databases, backup tapes, etc.), the agency may need to notify its information technology staff. Failure to cease the destruction of relevant records could result in penalties.

Records Management Services Can Help!

The State of Michigan Records Management Services is available to assist government agencies with their questions about record retention and acceptable recording media. Agencies may contact the Records Management Services at (517) 335-9132. Additional information is also

available from the Records Management Services' website
<http://www.michigan.gov/recordsmanagement/>, including records management manuals, general schedules, e-mail retention guidelines, microfilming standards and digital imaging standards, etc.

**State of Michigan
General Retention Schedule #31
Local Government Financial Records**

Item #	Series Title	Series Description	Retention Period	Approval Date
100	Insurance Policies	These files include insurance policies that provide coverage for property and casualty, workers compensation, errors and omission, fleet, general liability, umbrella, etc.	RETAIN UNTIL: Insurance provider is no longer obligated to pay out on the particular policy after it expires. Contact the insurance provider of each policy to determine this length of time, if the information is not specified within the policy itself. NOTE: if a policy covers a "lifetime," then 80 years should be sufficient THEN: Destroy	4/7/2009
101	Insurance Claims	These files are used to document claims that are submitted to an insurance provider. They may contain claim forms, correspondence and supporting documents for each claim that is submitted.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	4/7/2009
102A	Accident Reports/Claims--Adults	Accident reports for personal injuries, property damage claims, and other incidents provide details about any unexpected incidents on government property. The reports may list the location of the accident, description of the accident, first aid administration, witnesses, person injured, type of injury or property damage, actions taken, recommendations to prevent reoccurrence, etc. The reports may be reviewed and signed by relevant administrators. These files may include related information, such as witness statements, medical information, legal counsel, subsequent claims, etc.	RETAIN UNTIL: Date created PLUS: 7 years THEN: Destroy	4/7/2009
102B	Accident Reports/Claims--Minors	Accident reports for personal injuries, property damage claims, and other incidents provide details about any unexpected incidents on government property. The reports may list the location of the accident, description of the accident, first aid administration, witnesses, person injured, type of injury or property damage, actions taken, recommendations to prevent reoccurrence, etc. The reports may be reviewed and signed by relevant administrators. These files may include related information, such as witness statements, medical information, legal counsel, subsequent claims, etc.	RETAIN UNTIL: Minor turns 18 years old. NOTE: Pre-injury waivers effectuated by parents on behalf of their minor children are not presumptively enforceable. Specifically, within the context of Michigan's overriding policy, and in the absence of any specific legislative exceptions permitting the waiver of liability by parents in these situations, the release signed on behalf of a minor cannot be construed as valid. See MCL 600.5851-5852 and Michigan Court of Appeals Docket #275079. PLUS: 3 years THEN: Destroy	4/7/2009
103A	Bids and Quotes--Awarded	Bids are received from vendors for products, services and contracts that are needed for construction, furnishings, grounds maintenance, trash and snow removal, cleaning services, transportation, etc. These files may include the invitation to bid, request for proposal, the bid documents that are submitted, the reviewer documentation, etc.	RETAIN UNTIL: Contract with the awarded vendor expires PLUS: 6 years THEN: Destroy	4/7/2009
103B	Bids and Quotes—Not Awarded	Bids are received from vendors for products, services and contracts that are needed for construction, furnishings, grounds maintenance, trash and snow removal, cleaning services, transportation, etc. These files may include the invitation to bid, request for proposal, the bid documents that are submitted, the reviewer documentation, etc.	RETAIN UNTIL: Bid is awarded PLUS: 2 years THEN: Destroy	4/7/2009

Note: personnel and payroll records are covered separately by General Schedule #26 - Local Government Human Resources.

All general schedules are available online at <http://www.michigan.gov/recordsmanagement/>.

**State of Michigan
General Retention Schedule #31
Local Government Financial Records**

Item #	Series Title	Series Description	Retention Period	Approval Date
104	Contracts, Leases and Agreements	These contracts may cover a variety of services including construction, custodial work, copiers, facility rental, information technology service providers, maintenance, wiring, telephone services, employment, land, etc. These files may include contracts, correspondence with the vendor, warranties, copies of purchase orders, etc. Note: the Clerk or some other office may be the official recordkeeper for contracts.	RETAIN UNTIL: Expiration PLUS: 6 years THEN: Destroy	4/7/2009
105	Annual Budget	These records document the requested and adopted amount of money for all departments, along with any amendments, that is appropriated for each account/line item for each fiscal year. These records may include work papers. A copy of all approved budgets will be retained permanently in the governing body's meeting records.	RETAIN UNTIL: Fiscal year ends PLUS: 5 years THEN: Destroy	4/7/2009
106	Financial Data System	This record is used as a general ledger to track and document financial transactions. It is usually maintained as a database or spreadsheet. It may contain digital images, electronic documents and electronic correspondence that serve as supporting documents to each transaction. This system may also contain data that documents other government functions, such as payroll, pensions, etc. Select data and supporting documents may need to be retained longer if the transaction relates to a contract, loan or other activity that is not completed within the specified timeframe.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	4/7/2009
107	Accounting Transaction Detail	This record details all revenue, expenditures and balance sheets that are recorded in various accounts. It may be retained as paper, electronic data, computer output microfiche, etc. It also includes the chart of accounts that defines the accounting codes that are used.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	4/7/2009
108	Receivables	These records document items that are purchased by others or services that are provided to others. They may include invoices, cash receipts, support documents, agreements, ledgers, etc.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	4/7/2009
109	Receipts	These records document deposits into various accounts. They may include a cash receipt list, receipt register, etc. Information in these records may include the check number, date, receipt number, description, amount deposited, batch number, account number, etc.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	4/7/2009
110	Journal Entries	These records document transfers between accounts, they record expenses not included in accounts payable, and revenues not in cash receipts. The transaction balance report may identify the account number, account description, transaction amount, date, journal entry number, transaction description, etc. <i>Note: individual records that document the purchase of a fixed asset may need to be retained until the asset is disposed of.</i>	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	4/7/2009
111	Budget Summaries and Balance Sheets	These records document the status of budgetary activity on each account. They may identify the account balances per month and year to date, activity within the month on each account, etc.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	4/7/2009
112	Payment Records	These files document the payment for goods and services. They may include purchase orders, packing slips, requisitions, invoices, communications and utility bills, travel vouchers, receipts, etc. <i>Note: individual records that document the purchase of a fixed asset may need to be retained until the asset is disposed of.</i>	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	4/7/2009
113	Telephone/Communications Bills	These bills are received from the telephone service provider and may be used to generate bills that are distributed to each department. These bills may cover services for telephones, cellular phones, pagers, etc. These records may contain the call detail and the financial statement.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	4/7/2009

Note: personnel and payroll records are covered separately by General Schedule #26 - Local Government Human Resources.

All general schedules are available online at <http://www.michigan.gov/recordsmanagement/>.

**State of Michigan
General Retention Schedule #31
Local Government Financial Records**

Item #	Series Title	Series Description	Retention Period	Approval Date
114	Procurement Card Applications	These records document which employees are issued a procurement card for making purchases. These files may include the procurement cardholder application, cardholder agreement form, the cardholder maintenance form, etc.	RETAIN UNTIL: Procurement card is no longer held by the cardholder PLUS: 5 years THEN: Destroy	4/7/2009
115	Bank Activity	These records document activity on the government entity's bank account. They may include deposit slips, reconciliations, cancelled checks, check registers, bank statements, electronic funds transfer transactions, etc.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	4/7/2009
116	Annual Local Unit Fiscal Report	The State of Michigan and the Federal Government require all local units of government to file an annual fiscal report with the Michigan Department of Treasury (Form F-65) that documents financial activity.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	4/7/2009
117	Sales Tax Reports	These annual reports are prepared at the end of each calendar year to document the amount of sales tax that is collected. They are sent to the Michigan Department of Treasury.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	4/7/2009
118	Comprehensive Annual Financial Report (CAFR)	These reports are submitted annually to the Michigan Department of Treasury at the end of the calendar year. They are often prepared with the assistance of auditors, and they document all incoming and outgoing funds. These records include the work papers and the reports. <i>Some local governments choose to keep the final reports permanently.</i>	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	4/7/2009
119	Municipal Finance and Borrowings	These files document bonds for capital and construction projects. They may include transcripts of bond proceedings and other supporting documentation.	RETAIN UNTIL: Expiration PLUS: 7 years THEN: Destroy	4/7/2009
120	Qualifying Statements	These forms are submitted annually to the Michigan Department of Treasury. They permit the local government to buy bonds. If a bond is purchased, these records will be maintained in accordance with item #118 as supporting documentation. If no bonds are sold, these records can be destroyed after 1 year.	RETAIN UNTIL: Date created PLUS: 1 year THEN: Destroy	4/7/2009
121	Final Affidavit of Payment	The final affidavit of payment is evidence that all funds that were borrowed by the local government were paid back in full.	Permanent	4/7/2009
122	Bond Cremation Certificates	The Bond Cremation Act (PA 56 of 1962) requires public corporations to cremate or disintegrate obligations or interest coupons upon maturity, and to receive a certificate documenting the destruction of the records.	Permanent	4/7/2009
123	Fixed Asset Inventory Data	This record is a list of all major property and its book value. Local government policy determines the value at which property must be included on an inventory. The value of these items is then distributed across the useful life of the property. Information on the inventory may include a description of the item, value, date purchased, depreciation amount, insurable value, building location, etc.	RETAIN UNTIL: Annual report for the fiscal year in which the item was disposed is audited THEN: Destroy	4/7/2009
124	Fixed Asset Annual Report	The Government Accounting Standards Board (GASB) Statement 34 establishes the annual reporting requirements for financial statements prepared by local governments. This annual report is produced from the fixed asset inventory.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	4/7/2009
125	Disposition of Scrap and Surplus Materials	These records document the disposition (destruction or sale) of scrap and surplus materials. They may include authorizations, correspondence, receipts, inventories, etc.	RETAIN UNTIL: Fiscal year ends PLUS: 3 years THEN: Destroy	4/7/2009
126	Audits - Support Documents	Audits of finances are conducted annually by an independent certified public accounting firm. These files may include work papers, schedules, reconciliations, etc.	RETAIN UNTIL: Final report is issued [see OMB Circular A-133.320 (g)] PLUS: 7 years THEN: Destroy	4/7/2009

Note: personnel and payroll records are covered separately by General Schedule #26 - Local Government Human Resources.

All general schedules are available online at <http://www.michigan.gov/recordsmanagement/>.

**State of Michigan
General Retention Schedule #31
Local Government Financial Records**

Item #	Series Title	Series Description	Retention Period	Approval Date
127	Audits - Final Report	This final report is submitted by the auditors. A copy of final audit reports will be retained permanently in the governing body's meeting records. However, this office may select to keep a permanent copy too.	RETAIN UNTIL: Date created PLUS: 10 years THEN: Destroy	4/7/2009
128	Financial Projections, Plans, and Forecasts	These reports contain multi-year projections/plans/forecasts about anticipated income and/or expenditures. They may cover capital improvement projects, construction cost schedules, general fund revenue, fund balances, taxable value, road projects, etc.	RETAIN UNTIL: Superseded by a new report (<i>superseded reports may continue to be valuable for reference purposes beyond this minimum retention period</i>) THEN: Destroy	4/7/2009
129	Indirect Costs	These records are created annually to determine the allowable indirect cost rate that the local government may charge to various state and federal grants.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	4/7/2009
130	Grants	These files document grants from state, federal and private agencies that are administered by the finance department. These files may contain applications, budgets, worksheets, adjustments, plans, rules and regulations, award letters, committee records, staffing sheets with account numbers, grant evaluation/monitoring reports, audits, periodic progress reports, etc.	RETAIN UNTIL: Grant is closed out, plus any additional time that is required by the granting agency for auditing purposes (<i>final reports and products of the grant may be kept longer for use and reference purposes</i>) THEN: Destroy	4/7/2009
131	Denied Grant Applications	These records document grants that were applied for, but were not received. They may have reference value for preparing future grant applications. They may contain application forms, budget proposals, letters of support, narrative plans, supporting documentation, etc.	RETAIN UNTIL: Date created PLUS: 1 year THEN: Destroy	4/7/2009
132	State Reports	Local governments are required to submit various financial reports to the Michigan Department of Treasury annually.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	4/7/2009
133	Pension Plan Documentation	These records document the terms of employee pension plans. They include plans that are administered by the local government, and plans that are administered by outside parties.	RETAIN UNTIL: No employees are enrolled in this specific plan THEN: Destroy	4/7/2009
134	Pension Investment and Finance Statements	Some local governments administer their own pension plans internally or with the assistance of a vendor. These monthly reports document pension plan investments and the financial status of accounts.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	4/7/2009
135	Pension Plan Audits, Annual Reports and Actuarial Valuations	Some local governments administer their own pension plans. These reports document annual audits, financial reporting and third party actuarial valuations of the pension plan accounts and investments.	RETAIN UNTIL: Date created PLUS: 100 years THEN: Destroy	4/7/2009
136	Employee Pension Files	Some local governments administer their own pension plans. These records document pension benefits for employees and retirees and their beneficiaries. They may include the original hiring notice, promotion notices, correspondence, exclusion letters, beneficiary forms, insurance elections, disability retirement approvals, etc. <i>Note: these records may be maintained by Payroll.</i>	RETAIN UNTIL: Retiree or beneficiary dies, or a former employee becomes ineligible for a pension PLUS: 5 years THEN: Destroy	4/7/2009
137	Public Body Meeting Records	These files document the meetings of public bodies such as retirement boards, investment committees, etc. They include agendas, minutes, and supporting documentation (such as transcripts, correspondence, investment reports, etc.) that were reviewed by the public body during its meetings.	Permanent	4/7/2009

Note: personnel and payroll records are covered separately by General Schedule #26 - Local Government Human Resources.

All general schedules are available online at <http://www.michigan.gov/recordsmanagement/>.

**State of Michigan
General Retention Schedule #31
Local Government Financial Records**

Item #	Series Title	Series Description	Retention Period	Approval Date
Finance Department's General Administrative Records				
200	Subject Files	These records are used to support administrative analysis, program and project planning, procedure development, and programmatic activities. <i>Subject files are generally organized alphabetically by topic.</i> Document types may include periodic activity reports (narrative and statistical), special reports, topical correspondence (including electronic mail), research materials, project planning notes, organizational charts, etc. Subject files do NOT include files related to individual projects. For topics of continuing interest, files may be segmented into annual files.	RETAIN UNTIL: Topic is no longer of interest for ongoing administration PLUS: 5 years THEN: Destroy	4/7/2009
201	General Correspondence	General correspondence does not pertain to a specific issue and it is <i>often organized chronologically or by correspondent's name</i> . General correspondence may include referral correspondence. If the correspondence does pertain to a specific issue it should be filed with other relevant records. General correspondence may exist in a variety of formats, including memos, letters, notes and electronic mail messages. This series also includes automated or manual tools that index and/or track when correspondence was received, the topic of the correspondence, who is responsible for responding to the correspondence, and when the correspondence is considered closed for further action.	RETAIN UNTIL: Date created PLUS: 2 years THEN: Destroy	4/7/2009
202	Transitory Correspondence	Transitory correspondence is any form of written communication with a short-term interest that has no documentary value. This type of correspondence has limited administrative and evidential value that is lost soon after the communication is received. <i>Transitory messages do not set policy, establish guidelines or procedures, certify a transaction or become a receipt.</i> Examples of transitory correspondence include letters of transmittal that do not add information to the transmitted materials, routine requests for information that require no administrative action, policy decision, special compilation or research. This type of record also includes invitations to work-related events, notifications of an upcoming meeting, and similar records.	RETAIN UNTIL: Date received PLUS: up to 30 days THEN: Destroy	4/7/2009
203	Freedom of Information Act (FOIA) Requests	This file will document any requests for information or public records. They may include requests for information, correspondence, a copy of the information released, and billing information.	RETAIN UNTIL: Date created PLUS: 1 year THEN: Destroy	4/7/2009
204	Contact Lists/Directories	These records contain contact information for individuals and groups that the agency may need to contact for ongoing and special projects, programs, activities, events, surveys, etc. They may contain names, affiliations, address, phone numbers, e-mail addresses, etc. They may exist in paper or electronic form.	RETAIN UNTIL: Information is superseded for current contacts, or the list is obsolete THEN: Destroy	4/7/2009
205	Planners/Calendars	These may be electronic or manual planners and calendars that are used to track an individual staff member's work-related meetings, assignments, and tasks. Individual employees are responsible for retaining their planners/calendars for the duration of this retention period.	RETAIN UNTIL: Date created PLUS: 2 years THEN: Destroy	4/7/2009
206	Staff and Project Meeting Records	These records document staff meetings, meetings with other government agencies, etc. They may include meeting minutes, agendas, and distribution materials, etc. Meeting records may also be retained in subject files (see item #200), if they relate to a specific topic.	RETAIN UNTIL: Date created PLUS: 2 years THEN: Destroy	4/7/2009
207	Annual Reports	These reports document the department's activities, and they may contain both narrative and statistical information.	RETAIN UNTIL: Date created PLUS: 10 years THEN: Destroy	4/7/2009
208	Departmental Budget Planning	These records document budget planning and tracking activities for the finance department. They may include budget requests, statistics, budget amendments, budget summaries and balance sheets, etc.	RETAIN UNTIL: Date created PLUS: 5 years THEN: Destroy	4/7/2009

Note: personnel and payroll records are covered separately by General Schedule #26 - Local Government Human Resources.

All general schedules are available online at <http://www.michigan.gov/recordsmanagement/>.

**State of Michigan
General Retention Schedule #31
Local Government Financial Records**

Item #	Series Title	Series Description	Retention Period	Approval Date
209	Publications	These records may include press releases, brochures, newsletters and other items that are published by the department.	RETAIN UNTIL: No longer of reference value THEN: Destroy	4/7/2009
210	Memorabilia	This series includes photographs, news clippings, certificates, awards, etc. that document events and activities of the department.	RETAIN UNTIL: No longer of reference value THEN: Destroy	4/7/2009
211	Audio-Visual Materials	These records include photographs, video recordings, audio recordings, slides, etc. in analog and digital formats. They document general program activities, facilities, people, etc. If the audio-visual materials are supporting documents to a specific business process, then they should be retained as long as any other records that document the business process.	RETAIN UNTIL: No longer of reference value THEN: Destroy	4/7/2009
212	Visitor Logs/Registers	These records document who visited the office. They record the visitor's name, date and time of the visit, etc. They may be used for security purposes or to track visitor statistics.	RETAIN UNTIL: Date created PLUS: 2 years THEN: Destroy	4/7/2009
213	Employee In/Out Logs	These logs document the time/date when staff arrive and depart throughout each day. Note: This does not apply to timekeeping records. Timekeeping records are covered on General Schedule #26, item #205.	RETAIN UNTIL: Date created PLUS: 1 year THEN: Destroy	4/7/2009

Note: personnel and payroll records are covered separately by General Schedule #26 - Local Government Human Resources.

All general schedules are available online at <http://www.michigan.gov/recordsmanagement/>.

State of Michigan
General Schedule #26 - Local Government Human Resources

Item #	Series Title	Series Description	Retention Period	Approval Date
Personnel Records				
100A	Personnel Files	These records document all human resources related transactions that occur during an employees' period of active employment, including hiring, promotion, demotion, transfer, layoff, performance, discipline, termination, etc. They may include, but may not be limited to, employment applications and resumes, job descriptions and classification history, clippings, correspondence, service record change forms, attendance, evaluations, investigations, COBRA, training records, blood borne pathogen training, contracts, disciplinary records, layoff notices, recall notices, apprenticeships, transcripts, tuition reimbursement, policy acknowledgements, property sign-out forms, certifications, current driver's licenses, driving records, police accident reports, exit interviews, and severance agreements.	RETAIN UNTIL: Individual is no longer employed PLUS: 7 years THEN: Destroy	8/16/2022
100B	Personnel Files—Temporary Employees	These records document employees who are hired for temporary, seasonal and student positions. They may include, but may not be limited to, documents listed in item #100A, as well as work permits and certificates of age for minors.	RETAIN UNTIL: Individual is no longer employed PLUS: 7 years THEN: Destroy	8/16/2022
100C	Personnel Files—Contractual Employees	These records document employees who are hired for contractual positions. They may include, but may not be limited to, 1099 forms, W-9 forms, verification of insurance, and copies of contracts.	RETAIN UNTIL: Contract expires PLUS: 6 years THEN: Destroy	8/16/2022
101	Employee Data	These records document all human resources related transactions that occur during an employees' period of active employment. They may include, but may not be limited to, data that is used to administer personnel and payroll functions, such as timekeeping, tenure, payroll, retirement, etc.	RETAIN UNTIL: Individual is no longer employed PLUS: 7 years THEN: Destroy	8/16/2022
102	Employment Verification Records	These records document requests received from outside parties to verify that a person is employed by the local government.	RETAIN UNTIL: Date created PLUS: 30 days THEN: Destroy	8/16/2022
103	Background Files	These records document that the local government conducted appropriate background checks on employees. They may include, but may not be limited to, release forms to conduct criminal history checks, fingerprint checks, and professional conduct checks, results of the checks, driving records, drug and alcohol tests, physical exam results, polygraph test results, and credit history reports.	RETAIN UNTIL: Individual is no longer employed PLUS: 6 years THEN: Destroy	8/16/2022

State of Michigan
General Schedule #26 - Local Government Human Resources

Item #	Series Title	Series Description	Retention Period	Approval Date
104	Medical Files	These records document private medical information for a specific employee, including disability accommodations. They may include, but may not be limited to, insurance forms, physician correspondence, tuberculosis tests, polygraph test results, off-work notices, Family Medical Leave Act forms and requests, long and short-term disability paperwork, drug and alcohol tests, physical exams, accident reports, and personal requests. Per 29 CFR 1910.1020(d), these records must be retained separately from personnel files (see item #100A). <i>NOTES: The medical records of employees who have worked for less than 1 year for the employer need not be retained beyond the term of employment, if they are provided to the employee upon the termination of employment. This series does not include the official copy of insurance claims, which are usually retained by the business or finance office.</i>	RETAIN UNTIL: Individual is no longer employed PLUS: 30 years THEN: Destroy	8/16/2022
105	Employee Test Result Records	These records document the results of tests taken by employees when they complete professional development, continuing education, licensing and/or certification training that is required for employment. Other training records are kept in the employee file (see item #100).	RETAIN UNTIL: Date created PLUS: 6 years THEN: Destroy	8/16/2022
106	Commercial Drivers License Test Result Records	These records document which employees hold valid commercial drivers licenses (CDL). They may include, but may not be limited to, CDL test results, test results for alcohol or controlled substances, test refusals, driver evaluations and referrals, calibration documentation, test administration documents, calendar year summaries, alcohol misuse documents, and information about employee participation in controlled substances use prevention programs. [49CFR382.401.]	RETAIN UNTIL: Date created PLUS: 5 years THEN: Destroy	8/16/2022
107	I-9 Files	These records document verification by employers of identity and immigration status of all new employees. They may include, but may not be limited to, employment eligibility verification forms, and supporting documentation. 8 CFR 274a.2 (1998) requires that employers maintain signed copies of I-9 forms.	RETAIN UNTIL: Date of hire PLUS: 3 years OR RETAIN UNTIL: Termination PLUS: 1 year (whichever is later) THEN: Destroy	8/16/2022
108	Policy and Procedure Records	These records document employee policies and procedures that are adopted by the local government. Drafts and other development documents should be retained until the final document is adopted.	RETAIN UNTIL: Superseded by new versions PLUS: 6 years THEN: Destroy	8/16/2022
109	Grievance and Unfair Labor Practices Records	These records document grievances and charges filed against local governments and the resolution of the grievance. They may include, but may not be limited to, written grievances, pre-hearing reports, grievance forms, correspondence, summary sheets, employee history information, legal documents, and decisions.	RETAIN UNTIL: Contract that the grievance is related to expires THEN: Destroy	8/16/2022

State of Michigan
General Schedule #26 - Local Government Human Resources

Item #	Series Title	Series Description	Retention Period	Approval Date
110	Complaint Records	These records document the filing and investigation of a complaint. Complaints may relate to affirmative action, sexual harassment, labor practices, disability issues, discrimination, or other issues. They may include, but may not be limited to, completed questionnaires from management, staff, and/or witnesses to the alleged violation, correspondence, documents detailing the complaint, investigatory records, Civil Rights or Equal Employment Opportunity Commission documentation, and litigation documentation from court systems.	RETAIN UNTIL: Complaint is dismissed or resolved PLUS: 7 years THEN: Destroy	8/16/2022
111	Investigation Records	These records document investigations into incidents or issues that do not lead to disciplinary action of an employee. Disciplinary records are maintained in the employee's personnel file. They may include, but may not be limited to, correspondence, incident reports, and supporting documentation.	RETAIN UNTIL: Completion of the investigation THEN: Destroy, if disciplinary action is <u>not</u> taken (MCL 423.509) OR PLUS: 4 years, only if disciplinary action is taken - a disciplinary report will be retained in the employee's personnel file (see item #100A) THEN: Destroy	8/16/2022
112	Benefit Plan Records	These records document the terms of benefit plans that are available to employees. They may include, but may not be limited to, plan documents, plan descriptions, and reports.	RETAIN UNTIL: Superseded by a new version PLUS: 6 years THEN: Destroy	8/16/2022
113	Employee Injury Records - Exposure	These records document accidents or injuries involving exposure to toxic substances or blood-borne pathogens. They may include, but may not be limited to, incident reports, medical reports, responses by supervisors and management, requests for medical leave, insurance forms, applications for continuation of insurance, and supporting medical documentation. [29 CFR 1910.1020] These files are maintained separately from the personnel file.	RETAIN UNTIL: Date created PLUS: 30 years THEN: Destroy	8/16/2022
114	Employee Injury Records - Non-exposure	These records document accidents or injuries involving an employee. They may include, but may not be limited to, incident reports, responses by supervisors and management, requests for medical leave, insurance forms, and applications for continuation of insurance. These records are maintained separately from the personnel file. OSHA requires that any information pertaining to a job-related illness and injury be kept on file for five years after the end of the fiscal year in which the event occurred.	RETAIN UNTIL: Fiscal year ends PLUS: 5 years THEN: Destroy	8/16/2022

State of Michigan
General Schedule #26 - Local Government Human Resources

Item #	Series Title	Series Description	Retention Period	Approval Date
115	Employee Injury Records - OSHA 300 Log	These records document all employee injuries within a calendar year. They may include, but may not be limited to, logs and supporting documentation. In accordance with 9 CFR 1904.33, these records shall be retained for 5 years following the calendar year that they cover.	RETAIN UNTIL: Calendar year ends PLUS: 5 years THEN: Destroy	8/16/2022
116	Job Classification and Description Records	These records document job classification systems and all existing positions. They may include, but may not be limited to, summaries of job responsibilities, functions, applicant requirements, and salary and benefit classifications.	RETAIN UNTIL: Superseded by a new version PLUS: 6 years THEN: Destroy	8/16/2022
117	Salary Study Records	These records document the analysis of employee salaries to ensure fair compensation. They may include, but may not be limited to, research, surveys, and reports.	RETAIN UNTIL: No longer of reference value THEN: Destroy	8/16/2022
118	Position Re-classification Records	These records document requests to have a position re-classified. They may include, but may not be limited to, requests, copies of existing and proposed job descriptions, decisions affecting the request, and supporting documentation.	RETAIN UNTIL: Date created PLUS: 6 years THEN: Destroy	8/16/2022
119	Job Advertisement and Posting Records	These records document the advertising of available positions that the local government intends to fill, both internally and externally. They may include, but may not be limited to, notices, and published advertisements.	RETAIN UNTIL: Date created PLUS: 1 year THEN: Destroy	8/16/2022
120	Job Application Records	These records document applicants for positions who were not hired, regardless of whether they were interviewed (this includes unsolicited applications, unless the local government has a written policy prohibiting the acceptance of unsolicited applications). They may include, but may not be limited to, resumes, letters of interest, applications, regret letters, qualification exam scores, and supporting documentation.	RETAIN UNTIL: Decision is made not to hire the individual PLUS: 1 year THEN: Destroy, if the application is unsolicited (no position is currently available), or if the person is determined to be ineligible for the position to which they applied OR RETAIN UNTIL: Position is filled PLUS: 2 years THEN: Destroy, if the person was considered for a posted position	8/16/2022
121	Selection Files	These records document the appointment and selection of employees. They may include, but may not be limited to, employment lists, transfer lists, selection criteria, evaluations of candidates, position descriptions, applications, interview questions, reference checks, rating forms, and appointment recommendations or notifications.	RETAIN UNTIL: Position is filled PLUS: 2 years THEN: Destroy	8/16/2022

State of Michigan
General Schedule #26 - Local Government Human Resources

Item #	Series Title	Series Description	Retention Period	Approval Date
122	Job Qualification Exam Records	These records document testing of potential employees' qualifications for employment. They may include, but may not be limited to, master exams and master answer sheets, and test development documentation (if applicable).	RETAIN UNTIL: Superseded by a new version PLUS: 6 years THEN: Destroy	8/16/2022
123	Emergency Contact Records	These records document which the people the employee wants to be contacted if they are involved in an emergency situation.	RETAIN UNTIL: Superseded by new information THEN: Destroy	8/16/2022
124	Workers Disability Compensation Files	These records document any claims made for workers disability compensation benefits. They may include, but may not be limited to, incident or injury reports submitted by the employee (original is sent to the insurer), and reports from the occupational health center. Litigation records is kept separately.	RETAIN UNTIL: Claim is settled PLUS: 7 years THEN: Destroy	8/16/2022
125	Worker Disability Compensation Reports	These records document reports that are received from disability insurance providers about the amount of benefits that were paid from the policy.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	8/16/2022
126	Labor Agreement and Negotiation Records	These records document labor negotiations and resulting contracts with individual employees and employee groups. They may include, but may not be limited to, salary and benefit schedules, ground rules proposals and counter proposals, secondary negotiations, meeting minutes, agreements, and final contracts. Separate files are maintained for each employee negotiating group. <i>Note: select records may need to be kept longer, if they are needed to document retirement benefits that an employee is entitled to.</i>	RETAIN UNTIL: Expiration date PLUS: 10 years THEN: Destroy	8/16/2022
127	Union Files	These records document each union that represents employees. They may include, but may not be limited to, correspondence, and dues information.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	8/16/2022
128	Seniority Records	These records document the seniority status of union employees. They may include, but may not be limited to, lists and documents that are sent to union presidents.	RETAIN UNTIL: Superseded by a new version PLUS: 1 year THEN: Destroy	8/16/2022
129	Affirmative Action Plan Records	These records document the local government's plans to comply with affirmative action requirements. They may include, but may not be limited to, plans, supporting documentation, analyses, raw data, tests given to employees, and validation studies.	RETAIN UNTIL: Plan expires PLUS: 2 years THEN: Destroy	8/16/2022
130	Adverse Impact Determination Records	These records document audits or investigations of potential civil rights violations that are conducted by state or federal agencies when an adverse impact upon employees is determined. They include, but may not be limited to, determinations, and documentation that the cause of the adverse impact was eliminated.	RETAIN UNTIL: Date created PLUS: 2 years THEN: Destroy	8/16/2022

State of Michigan
General Schedule #26 - Local Government Human Resources

Item #	Series Title	Series Description	Retention Period	Approval Date
131	Organization Chart Records	These records document the organizational structure of the local government. They may include, but may not be limited to, organization charts, mission statements, and supporting documentation. <i>Note: these records may continue to have reference value after they are superseded.</i>	RETAIN UNTIL: Superseded by a new version THEN: Destroy	8/16/2022
132	Employee Directory Records	These records document the personal or office contact information for employees. <i>Note: these records may continue to have reference value after they are superseded.</i>	RETAIN UNTIL: Superseded by new information THEN: Destroy	8/16/2022
133	Government Reports	These records document reports that are prepared by the local government to document its activities and actions. They may include, but may not be limited to, equal employment opportunity reports, veteran employment reports, and census of government employment reports.	RETAIN UNTIL: Date created PLUS: 1 year THEN: Destroy	8/16/2022
134	COVID-19 Health Surveillance Records	These records document attestations that a person is healthy enough to safely enter a building where a government office is located, or that a government employee is healthy enough to work, in compliance with MIOSHA COVID-19 Emergency Rules. They may include, but may not be limited to, data collected during network login, data collected as someone enters a building, and logs.	RETAIN UNTIL: Date created PLUS: 1 year THEN: Destroy	8/16/2022
135	COVID-19 Notification Records	These records document notifications about potential exposure to COVID-19 in compliance with MIOSHA COVID-19 Emergency Rules. They may include, but may not be limited to, notification documents, notification distribution lists, and supplemental documentation.	RETAIN UNTIL: Date created PLUS: 1 year THEN: Destroy	8/16/2022
136	COVID-19 Training Records	These records document training provided to employees about COVID-19 and infection control practices in compliance with MIOSHA COVID-19 Emergency Rules. They may include, but may not be limited to, training materials, attendance documentation, and supplemental documents.	RETAIN UNTIL: Date created PLUS: 1 year THEN: Destroy	8/16/2022
<i>Note:</i>	<i>Contract Records</i>	<i>The official copies of contracts are generally retained by the Clerk and are listed on the Clerk's Retention and Disposal Schedule (see General Schedules #6, 24, 25). Their minimum retention period is until the contract expires, plus 6 years, then destroy.</i>		8/16/2022
Payroll Records				

State of Michigan
General Schedule #26 - Local Government Human Resources

Item #	Series Title	Series Description	Retention Period	Approval Date
200A	Employee Files—Employees Enrolled in a Pension Plan	These records document activities that affect payroll for each employee who is enrolled in a pension plan (such as the Municipal Employees Retirement System or a locally operated plan). They may include, but may not be limited to, W-4, hiring authorization, requisitions, pay increase/change of status notices, contract calculations, long-term disability, retirement purchases, current enrollment for benefits (including health, life, disability, dental, vision and supplemental insurance), credit union deposits, flexible spending accounts, investments in tax deferred accounts (such as 403B, 401K, 457, etc.), employee/employer deferral elections, employee/employer loan agreements, contribution limit testing, supporting documentation for garnishments, levies and deductions, tax deferred payment agreements, retirement beneficiary forms, final salary affidavit, and electronic funds transfer applications.	RETAIN UNTIL: Individual is no longer employed PLUS: 50 years OR RETAIN UNTIL: Individual retires PLUS: 6 years (<i>whichever is sooner</i>) THEN: Destroy	8/16/2022
200B	Employee Files—Employees Enrolled in Defined Contribution Plans Only	These records document activities that affect payroll for each employee who is enrolled in a defined contribution plan only and does not receive a pension. They may include, but may not be limited to, W-4, hiring authorization, requisitions, pay increase/change of status notices, contract calculations, long-term disability, current enrollment for health benefits, credit union deposits, flexible spending accounts, investments in tax deferred accounts (such as 403B, 401K, 457, etc.), employee/employer deferral elections, employee/employer loan agreements, contribution limit testing, supporting documentation for garnishments, levies and deductions, tax deferred payment agreements, beneficiary forms, final salary affidavit, and electronic funds transfer applications. <i>Note: if an employee's abandoned wages are reported and remitted to the Michigan Department of Treasury, the employee's name and last known address need to be retained by the employer for 10 years.</i>	RETAIN UNTIL: Individual is no longer employed PLUS: 6 years THEN: Destroy	8/16/2022
201	Salary and Benefit Schedule Records	These records document the rate of pay for employees and define the benefits that are offered.	RETAIN UNTIL: Date created PLUS: 6 years THEN: Destroy	8/16/2022
202	Payroll Register Records	These records document reports that are produced to document payroll activities. They may include, but may not be limited to, employee names, social security numbers, employee identification numbers, gross wages, deductions, net pay, current pay period, year to date earnings, etc. <i>Note: if none of the local government's employees that are listed on the register are enrolled in a pension plan, these records can be retained for FY+7, in accordance with item #203.</i>	RETAIN UNTIL: Fiscal year ends PLUS: 50 years THEN: Destroy	8/16/2022

State of Michigan
General Schedule #26 - Local Government Human Resources

Item #	Series Title	Series Description	Retention Period	Approval Date
203	Payroll Reports	These records document reports that are generated for each pay cycle to verify the accuracy of the payroll. They may include, but may not be limited to, payroll summaries, pay journals, check registers, account distributions, payroll liabilities, payroll transactions, payroll account creation reports, gross pay balance, and deduction registers.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	8/16/2022
204	State Retirement Reports	These records document employee and employer contributions into state retirement plans. They may include, but may not be limited to, reports containing the payroll date, employee name, social security number, employee identification number, retirement hours, wage code, classification, retirement wages, withholding for the member investment plan, district contribution, rate of pay, contract dates, and number of payments per year.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	8/16/2022
205	Time and Attendance Records	These records document the hours worked and leave time used by each employee during each pay cycle, and they are used to support payroll activity. They may include, but may not be limited to, time sheets or cards, time keeping data, time and attendance reports, and pay statements containing the hours worked by the employee, the gross wages paid, the pay period for which payment is being made, itemized deductions, itemized fringe benefits, wage assignments, and garnishments and levies. Note: if the local government's final average compensation calculation is longer than 3 years, it will need to retain these records for at least that calculation timeframe.	RETAIN UNTIL: Fiscal year ends PLUS: 5 years THEN: Destroy	8/16/2022
206	Federal/State Tax Deduction Records	These records document payment of financial liabilities for monies withheld from employee wages. They may include, but may not be limited to, quarterly form 941 reporting to the Internal Revenue Service for taxes withheld, quarterly transfer of state withholding and sales taxes, Medicaid wage detail, and quarterly reports.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	8/16/2022
207	W-2 and W-3 Forms	These records document the annual gross wages, federal, state, Medicare, Social Security, and local taxes withheld for the purpose of reporting income taxes.	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	8/16/2022
208	Unemployment Insurance Reporting Records	These records document unemployment insurance payments made by contributing and reimbursing employers. They may include, but may not be limited to, reports identifying the taxes paid and benefits charged to the employer's "account."	RETAIN UNTIL: Fiscal year ends PLUS: 7 years THEN: Destroy	8/16/2022
209	Unemployment Claim Records	These records document people who are claiming unemployment benefits from the local government via the Unemployment Insurance Agency. They are used to verify that the people are entitled to these benefits, and to resolve discrepancies. They may include, but may not be limited to, correspondence, and appeals.	RETAIN UNTIL: Fiscal year ends PLUS: 1 year THEN: Destroy	8/16/2022

State of Michigan
General Schedule #26 - Local Government Human Resources

Item #	Series Title	Series Description	Retention Period	Approval Date
210	Wage Differential Reports	These records document analysis of the wage differential between sexes. They may including, but may not be limited to, reports, and substantiating documents.	RETAIN UNTIL: Date created PLUS: 2 years THEN: Destroy	8/16/2022
Human Resources Department - General Administrative Records				
300	Subject Files	These records document various topics, issues, projects, or activities that an agency or employee is involved in. They may include, but may not be limited to, topical reference files about issues, strategic planning files for the agency or specific initiatives, special project files, budget documents, audit documents, and development files for policies, press releases, publications, and forms. Document types may include topical correspondence, memoranda, reports, research, articles, meeting notes, and related background materials.	RETAIN UNTIL: Topic no longer of interest for ongoing administration PLUS: 5 years THEN: Destroy	8/16/2022
301	General Correspondence Files	These records document correspondence received or sent that is not pertinent to an active project, matter, or case being handled by the agency. They may include, but may not be limited to, requests for information that do require administrative action, a policy decision, special compilation of research, analysis, or referral correspondence. This series also includes correspondence indexing and tracking tools.	RETAIN UNTIL: Date created PLUS: 2 years THEN: Destroy	8/16/2022
302	Transitory Records	These records document agency activities that have temporary value and do not need to be retained once their intended purpose has been fulfilled. They may include, but may not be limited to, routine requests for information that require no: administrative action, policy decision, special compilation of research; requests or matters that are addressed by creating other records; and reminders.	RETAIN UNTIL: Activity is completed THEN: Destroy	8/16/2022
303	Freedom of Information Act (FOIA) Request Records	These records document requests for information and public records maintained by state agencies. They may include requests for information, correspondence, a copy of the information released, and billing documentation.	RETAIN UNTIL: Response is sent or request is denied PLUS: 1 year THEN: Destroy (MCL 15.233 (2))	8/16/2022
304	Contact List and Directory Records	These records document contact information for individuals or organizations with whom the agency communicates. They may be used to generate labels or other documents. They may contain name, email address, mailing address, phone numbers and other contact information.	RETAIN UNTIL: Updated or obsolete THEN: Destroy	8/16/2022
305	Planner and Calendar Records	These records document an individual employee's work-related meetings, assignments, and tasks. They may include, but may not be limited to, appointments, meetings, calendars, and planners.	RETAIN UNTIL: Event date PLUS: 2 years THEN: Destroy	8/16/2022
306	Staff and Project Meeting Records	These records document staff meetings, meetings with other government agencies, etc. They may include, but may not be limited to, meeting minutes, agendas, and distribution materials. Meeting records may also be retained in subject files (see item #300), if they relate to a specific topic.	RETAIN UNTIL: Date created PLUS: 2 years THEN: Destroy	8/16/2022

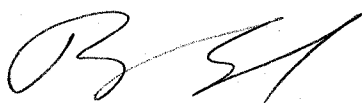
State of Michigan
General Schedule #26 - Local Government Human Resources

Item #	Series Title	Series Description	Retention Period	Approval Date
307	Annual Reports	These records document the department's activities through a year. They may include, but may not be limited to, narrative and statistical information.	RETAIN UNTIL: Date created PLUS: 10 years THEN: Destroy	8/16/2022
308	Grant Records - Awarded	These records document grants received from federal, state, and private agencies that are administered by the business or finance office. They may include, but may not be limited to, applications, budgets, worksheets, adjustments, plans, rules and regulations, award letters, committee records, staffing sheets with account numbers, grant evaluation and monitoring reports, audits, and periodic progress reports.	RETAIN UNTIL: Grant is closed out, unless otherwise specified by the granting agency for auditing purposes. Final reports and products of the grant may be kept longer for use and reference purposes PLUS: 7 years THEN: Destroy	8/16/2022
309	Grant Application Records - Denied	These records document grants that were applied for, but were not received. They may have reference value for preparing future grant applications. They may include, but may not be limited to, application forms, budget proposals, letters of support, narrative plans, and supporting documentation.	RETAIN UNTIL: Grant is denied PLUS: 1 year THEN: Destroy	8/16/2022
310	Departmental Budget Planning Records	These records document budget planning and tracking activities for the human resources department. They may include, but may not be limited to, budget requests, statistics, budget amendments, budget summaries, and balance sheets.	RETAIN UNTIL: Date created PLUS: 5 years THEN: Destroy	8/16/2022
311	Publication Records	These records document information that is published by the human resources department. They may include, but may not be limited to, press releases, brochures, newsletters, and other items.	RETAIN UNTIL: No longer of reference value THEN: Destroy	8/16/2022
312	Memorabilia	These records document events and activities of the human resources department. They may include, but may not be limited to, photographs, news clippings, certificates, and awards.	RETAIN UNTIL: No longer of reference value THEN: Destroy	8/16/2022
313	Audio-Visual Materials	These records document general program activities, facilities, people, etc. They may include, but may not be limited to, photographs, video recordings, audio recordings, and slides, etc. in analog and digital formats.	RETAIN UNTIL: No longer of reference value THEN: Destroy	8/16/2022
314	Visitor Logs and Register Records	These records document who visited the office. They identify the visitor's name, date and time of the visit, etc. They may be used for security purposes or to track visitor statistics.	RETAIN UNTIL: Date created PLUS: 2 years THEN: Destroy	8/16/2022
315	Employee In and Out Log Records	These records document the time and date when staff arrive and depart throughout each day.	RETAIN UNTIL: Date created PLUS: 1 year THEN: Destroy	8/16/2022

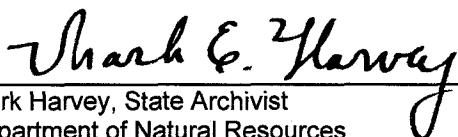
GENERAL SCHEDULE #1 – Non-records

This Retention and Disposal Schedule revises General Schedule #1 that was approved on November 16, 2004.

This Retention and Disposal Schedule covers materials that are classified as "non-records." These materials are common to most local government agencies. We, the undersigned, believe that the materials described in this schedule have no administrative, legal, fiscal and archival value to the State of Michigan.

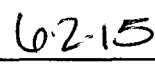
 

Brice Sample, Records Manager
Department of Technology, Management and Budget
Records Management Services
Date

Mark Harvey, State Archivist
Department of Natural Resources
Archives of Michigan
Date

APPROVED

State Administrative Board
Date

State of Michigan
Department of Technology, Management & Budget - Records Management Services
Records Retention and Disposal Schedule

General Schedule #1: Non-record Materials

Item Number	Series Title	Agency Retention	Total Retention	State
				Administrative Board Approval Date
GS1	- <u>Non-record Materials</u>	ACT	ACT	

Non-record materials are recorded information that are in the possession of an agency, but are not needed to document the performance of an official function. An agency's disposition practices needs to include managing non-record materials, because their volume may exceed that of records that do document official functions.

Examples of non-records may include:

- Draft documents that are replaced by new or final versions. Drafts that are not needed to document the development of the final record. Drafts that are not required to be retained by an agency-specific schedule.
- Duplicate copies of a document that are retained for convenience of reference.
- Information that does not document official activities.
- Letters of transmittal (including routing slips) that do not add any information to the transmitted material.
- Notes and recordings that have been transcribed into another format for record retention.
- Publications that are received from outside sources that are retained for reference purposes, such as newsletters, brochures, catalogs, books, professional development materials, etc.
- Mass mailings, notices, flyers, etc. that are received for informational purposes.
- Advertisements, spam and junk mail.
- Tracking documents or tools that are used to ensure that all steps in a business process take place, but are not the official documentation of the action or activity.
- Research and reference materials that are collected from outside sources, but are not needed to document how the final decision is made.

ACT = Non-record materials can be disposed of when they are no longer needed for reference purposes.

ACT = Active