

Office of the Auditor General
Performance Audit Report

COVID-19 Expenditures
State of Michigan

October 2021

The auditor general shall conduct post audits of financial transactions and accounts of the state and of all branches, departments, offices, boards, commissions, agencies, authorities and institutions of the state established by this constitution or by law, and performance post audits thereof.

The auditor general may make investigations pertinent to the conduct of audits.

Article IV, Section 53 of the Michigan Constitution



OAG

Office of the Auditor General

Report Summary

Performance Audit

COVID-19 Expenditures

State of Michigan

Report Number:
000-2000-20E

Released:
October 2021

On March 10, 2020, Governor Gretchen Whitmer declared a state of emergency when the Michigan Department of Health and Human Services identified the first two presumptive positive cases of the novel coronavirus (COVID-19) respiratory illness. The Legislature enacted Public Acts 67, 123, 144, 146, 150, 166, and 257 of 2020 and Public Acts 2 and 3 of 2021, appropriating supplemental funding for COVID-19. In addition, Section 704 (3), Public Act 53 of 2019 allows the Michigan Department of State Police to receive and expend money from local, State, federal, or private sources for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity. As of March 31, 2021, supplemental appropriations for COVID-19 totaled \$8.0 billion. Public Act 67 of 2020 requires the Auditor General to audit the use of the funds appropriated for the COVID-19 emergency and report monthly until the funds are expended. Our report includes COVID-19 expenditures appropriated by all Public Acts. This is our fifth report.

Audit Objective			Conclusion
Objective 1: To determine the appropriateness of State agencies' COVID-19 expenditures through March 31, 2021.			Appropriate
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.		Not applicable.	
Exhibits Related to This Audit Objective			
<u>Exhibit 1</u> - Summary of Expenditures Sampled for Testing			
<u>Exhibit 2</u> - Summary of Exceptions and Pending Items			

Audit Objective			Conclusion
Objective 2: To report State agencies' COVID-19 expenditures.			Information provided
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.		Not applicable.	
Exhibits Related to This Audit Objective			
<u>Exhibit 3</u> - Appropriations and Departmental Allocations <u>Exhibit 4</u> - Expenditures by Fund Source, Department, Appropriation, and Response Category <u>Exhibit 5</u> - Coronavirus Relief Fund Payments and Allocations <u>Exhibit 6</u> - Expenditures by Department, Appropriation, and Response Category <u>Exhibit 7</u> - Expenditures by Response Category for All Appropriations <u>Exhibit 8</u> - Chart of COVID-19 Expenditures by Response Category for All Appropriations <u>Exhibit 9</u> - Vendors With Total Payments of \$2.5 Million or Greater <u>Exhibit 10</u> - Expenditures by Classification Category for All Appropriations <u>Exhibit 11</u> - Summary of Programs With Advances to Subrecipients			

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Office of the Auditor General
201 N. Washington Square, Sixth Floor
Lansing, Michigan 48913

Doug A. Ringler, CPA, CIA
Auditor General

Laura J. Hirst, CPA
Deputy Auditor General



OAG

Office of the Auditor General

201 N. Washington Square, Sixth Floor • Lansing, Michigan 48913 • Phone: (517) 334-8050 • audgen.michigan.gov

Doug A. Ringler, CPA, CIA
Auditor General

October 28, 2021

The Honorable Gretchen Whitmer
Governor of Michigan
George W. Romney Building
Lansing, Michigan

The Honorable Jim Stamas, Chair
Senate Appropriations Committee
State Capitol Building
Lansing, Michigan

The Honorable Curtis Hertel, Jr., Min. Vice Chair
Senate Appropriations Committee
Connie B. Binsfeld Building
Lansing, Michigan

Ms. Margaret O'Brien, Secretary
Michigan Senate
State Capitol Building
Lansing, Michigan

Ms. Michelle Lange, Acting Director
Department of Technology, Management, and Budget
Elliott-Larsen Building
Lansing, Michigan

The Honorable Thomas Albert, Chair
House Appropriations Committee
State Capitol Building
Lansing, Michigan

The Honorable Joe Tate, Min. Vice Chair
House Appropriations Committee
Anderson House Office Building
Lansing, Michigan

Mr. Gary Randall, Clerk
Michigan House of Representatives
State Capitol Building
Lansing, Michigan

Dear Governor Whitmer, Ms. Lange, Senators Stamas and Hertel, Representatives Albert and Tate, Ms. O'Brien, and Mr. Randall:

This is our performance audit report on the COVID-19 Expenditures, State of Michigan.

Section 204, Public Act 67 of 2020, effective March 30, 2020, requires the Office of the Auditor General to audit the use of funds appropriated for coronavirus public health emergency - health care capacity, coronavirus public health emergency, and coronavirus response fund and report to the chairs of the Senate and House Appropriations Committees at a minimum of every month on the appropriateness of the preceding month's expenditures until the funds are expended. In order to provide a more complete picture of the total spending on COVID-19, our audit scope includes all COVID-19 coded expenditures as of March 31, 2021. Because of the ongoing nature of the audit, not all reported and sampled expenditures were audited by the end of our fieldwork. Expenditures not subject to our review for this report will be considered for our next audit of the COVID-19 expenditures, unless otherwise noted.

The Act also requires the OAG to report the details of our services related to our review of the COVID-19 expenditures; details of findings of fraud, waste, and abuse; and recommendations for corrective actions by any governmental entity. We have included these details as of March 31, 2021 and will continue to provide this information through our ongoing performance audit reports until the COVID-19 funds are expended.

This is our fifth report on the expenditures of these funds.

We appreciate the courtesy and cooperation extended to us during this audit.

Sincerely,

Doug Ringler
Auditor General

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AUDIT OBJECTIVES, CONCLUSIONS, FINDINGS, AND OBSERVATIONS

APPROPRIATENESS OF COVID-19 EXPENDITURES THROUGH MARCH 31, 2021

BACKGROUND

Public Act 67 of 2020 requires the Auditor General to conduct an audit of the use of funds appropriated for the Statewide coronavirus emergency and to continue to audit and report monthly on the use of these funds.

In addition, Public Act 53 of 2019; Public Acts 67, 123, 144, 146, 150, 166, and 257 of 2020; and Public Acts 2 and 3 of 2021 provide for funding sources from General Fund, federal, Federal Emergency Management Agency (FEMA), and private donations related to COVID-19. State agencies were also directed to utilize operating budgets to the extent possible.

Because of the ongoing nature of the audit, not all reported expenditures were audited by the end of our fieldwork. Reported expenditures not subject to audit during the current month will be considered for audit during our next audit of the COVID-19 expenditures, unless otherwise noted.

AUDIT OBJECTIVE

To determine the appropriateness of State agencies' novel coronavirus* (COVID-19) expenditures through March 31, 2021.

CONCLUSION

Appropriate.

FACTORS IMPACTING CONCLUSION

- Reviewed supporting documentation for 1,186 (97%) of 1,229 transactions totaling \$1.5 billion and determined that the COVID-19 expenditures were appropriate (see Exhibit 1).
- Reviewed 3 sample transactions and completed 2 analytical reviews totaling \$45.7 million and determined the documentation provided did not support \$33.1 million of the expenditures (see Exhibits 1 and 2).
- Unable to assess the appropriateness at the time of this report for 3 transactions totaling \$9.0 million because sufficient documentation has not been provided (see Exhibits 1 and 2).

* See glossary at end of report for definition.

STATE AGENCIES' COVID-19 EXPENDITURES THROUGH MARCH 31, 2021

BACKGROUND

The State Budget Office (SBO) prepares monthly reports on COVID-19 expenditures reported by State agencies. Due to timing differences, our report on the COVID-19 expenditures may not reflect the same amounts as reported in SBO's published reports.

AUDIT OBJECTIVE

To report State agencies' COVID-19 expenditures.

CONCLUSION

Information provided.

FACTORS IMPACTING CONCLUSION

- We reported the State agencies' COVID-19 expenditures through March 31, 2021 in the supplemental information section.

SUPPLEMENTAL INFORMATION

UNAUDITED
Exhibit 1

COVID-19 EXPENDITURES State of Michigan

Summary of Expenditures Sampled for Testing
From March 10, 2020 Through March 31, 2021

	COVID-19 Expenditure Sample			
	March Through August 2020 ¹	Through November 2020	December 2020 Through March 2021	Total
Total expenditures	\$2,736,181,572	\$786,715,493	\$1,503,764,407	\$5,026,661,472
Expenditures sampled	\$ 969,677,813	\$146,647,795	\$ 464,884,619	\$1,581,210,227
Total number of sample items	670	274	285	1,229
Items reviewed and appropriate ²	652	271	263	1,186
Dollar amount appropriate	\$ 928,837,151	\$144,820,394	\$ 432,422,591	\$1,506,080,136
Items still under review ³	4	1	16	21
Dollar amount of pending items	\$ 17,417,244	\$ 1,815,000	\$ 10,936,313	\$ 30,168,556
Unable to assess appropriateness of items ⁴	0	0	3	3
Dollar amount of unassessed items	\$ 0	\$ 0	\$ 8,975,900	\$ 8,975,900
Exceptions noted	14	2	3	19
Dollar amount of exceptions noted	\$ 10,425,928	\$ 12,401	\$ 4,010	\$ 10,442,338

Sample Expenditures by Response Category

Response Category	Total
COVID Local Support	\$ 716,714,100
COVID Individual Assistance	260,344,902
COVID State Government Operations	182,689,855
COVID Business Assistance	113,866,488
COVID Other	94,091,229
COVID Health Care Response	76,155,669
COVID Laboratory Testing	73,737,628
COVID Supplemental Expenditure Credits	39,769,461
COVID Infection Control	23,840,895
Total	\$ 1,581,210,227

¹ Reporting periods are combined for exhibit purposes. The detail can be located as follows:

March Through April 2020:

audgen.michigan.gov/wp-content/uploads/2020/06/r000200020-7689.pdf

May 2020:

audgen.michigan.gov/wp-content/uploads/2020/09/r000200020B-3322.pdf

June Through August 2020:

audgen.michigan.gov/wp-content/uploads/2021/01/r000200020C-0707.pdf

² Review of the appropriateness of the expenditures included, but is not limited to:

Expenditure related to COVID-19 emergency

Allowable under the appropriation charged

Goods/services received

Expenditure authorized

Supporting calculations

Dollar amount includes the portion of the exception items that were appropriate.

³ Items are classified as still under review for the following reason: OAG still reviewing for appropriateness.

⁴ We were unable to assess appropriateness at the time of this report because sufficient documentation has not been provided or items are still in transit.

If we receive additional documentation, we will reassess the categorization of the sample item for future reports.

Source: The OAG prepared this exhibit based on our review of expenditure transactions selected from the Statewide Integrated Governmental Management Applications* (SIGMA) and documentation provided by executive branch departments.

* See glossary at end of report for definition.

COVID-19 EXPENDITURES
State of Michigan

Summary of Exceptions and Pending Items
From March 10, 2020 Through March 31, 2021

Exceptions				
Vendor	Purpose of Transaction	Amount	Reason for Exception	Status
*Connect6 Group Inc	Masks	\$ 18,760	Insufficient documentation for receipt of 5,600 masks. Total order of 15,600 masks.	Closed
*Sanaz LLC	Masks & Gowns	24,896	Order cancelled.	Closed
*SpecBid Holdings, Inc	Masks	2,856,000	Insufficient documentation for receipt of 1.7 million masks. Total order of 5 million masks.	Closed
*DiaMedical USA Equipment, Inc.	Hospital Beds	63,750 95,000	Insufficient documentation for receipt of 91 beds. Total order of 250 beds.	Closed
*DiaMedical USA Equipment, Inc.	Masks	3,540	Insufficient documentation for receipt of 1,200 masks. Total order of 1,200 masks.	Closed
*Elegance	Gloves	642,500	Insufficient documentation for receipt of 6,425 boxes. Total order of 20,000 boxes.	Closed
*Dultimate LLC	Medical Gowns	2,290	Deemed a loss from a \$5.5 million order.	Closed
*Grand Valley State University	Grant to GVSU	321,750	Payment period 1st quarter of 2020, unrelated to COVID-19.	Agency corrected
*BlackPoint Distribution, LLC	Surgical Masks	50,400	Insufficient documentation for receipt of 105,000 masks. Total order of 105,000 masks.	Closed
*Troy Design & Manufacturing	Face Shields	1,073,600	Insufficient documentation for receipt of 268,000 face shields. Total order of 488,000 face shields.	Closed
*RACM, LLC	Cleaning Services	4,295,208 976,184	Payment made in error after contract was cancelled. Funds returned to State by vendor.	Closed
*Meijer, Inc	Financial Assistance	2,050	Vouchers provided to Midland County unrelated to COVID-19.	Agency corrected
*American Rental, Inc.	Tents & Accessories	6,031 6,369	Insufficient documentation for receipt of tents and accessories for testing site.	Closed
Department of Labor and Economic Opportunity (LEO)	IT Costs	379 3,411	LEO inadvertently moved IT expenditures to a COVID-19 reporting code.	Agency corrected
Department of Labor and Economic Opportunity (LEO)	Payroll Expenditures ¹	33,023,338 ¹	Analytical review determined LEO inappropriately classified UIA payroll expenditures that were not related to the COVID-19 pandemic.	Agency corrected
Department of Corrections	Toilet Paper	220	Thumb Correctional Facility inappropriately classified toilet paper as a COVID-19 expenditure.	Agency corrected
Department of Corrections	Toilet Paper ¹	45,880 ¹	Analytical review determined various correctional facilities inappropriately classified toilet paper as a COVID-19 expenditure.	Agency corrected all fiscal year 2021 expenditures (\$19,789). Fiscal year 2020 expenditures (\$26,311) are uncorrected.
Total Exceptions		\$ 43,511,556		

This exhibit continued on next page.

Unable to Assess Appropriateness				
Vendor	Purpose of Transaction	Amount	Reason - Unable to Assess	Status
RR Donnelley	PPE for home health care workers.	\$ 5,975,900	Further documentation required.	Unable to assess appropriateness.
Cellex, Inc.	Rapid COVID-19 tests for hospitals.	1,500,000	Further documentation required.	Unable to assess appropriateness.
Comprehensive Testing Solutions LLC	Rapid COVID-19 tests for nursing home facilities.	1,500,000	Further documentation required.	Unable to assess appropriateness.
Total Unable To Assess		\$ 8,975,900		

¹Exceptions confirmed from an analytical review of expenditures. Analytical reviews are not included in the sample item or exception totals in Exhibit 1.

* Exception noted in prior report

Source: The OAG prepared this exhibit based on our review of expenditure transactions selected from SIGMA and documentation provided by executive branch departments.

COVID-19 EXPENDITURES
State of Michigan

Appropriations and Departmental Allocations
From March 10, 2020 Through March 31, 2021

Public Act 67 of 2020				
	Appropriated Amount	Allocated to Other Departments	Expended by Departments	Purpose
General Fund:				
Coronavirus Public Health Emergency - Health Care Capacity - Michigan Department of Health and Human Services (MDHHS)	\$ 25,000,000	\$	\$ 17,103,714	Section 251 distributed to critical health care providers to expand capacity for the health care response to COVID-19 in the State, in amounts and by a method approved by the State Budget Director and the director of MDHHS. Reduced to \$25 million in part 1 appropriations of Public Act 144 of 2020.
Federal Funds (includes Coronavirus Relief Fund):	3,243,231,800		2,333,396,970	Section 302. Amounts are appropriated to departments for State and local preparedness and response activities. Federal receive and expend authorization was approved by the State Budget Director. This is in effect for 90 days and expired June 28, 2020. \$915 million originally appropriated in Public Act 67 of 2020 was repealed in Section 201c(5), Section 11p(5), and Section 236g(5) of Public Act 146 of 2020, and Section 206 of Public Act 144 of 2020. See Public Acts 144 and 146 for appropriated amounts. Appropriation reduced by \$72.1 million in Sections 301, 451, 452, 501, 551, 651, and 701 of Public Act 166 of 2020. Appropriation increased by \$1.5 million in Section 502 of Public Act 166 of 2020.
Coronavirus Relief Fund	1,148,155,300		1,006,073,597	Coronavirus Relief Fund total is part of the federal funds amount appropriated.
Total Public Act 67 of 2020	\$ 3,268,231,800	\$ 0	\$ 2,350,500,684	

Public Act 123 of 2020				
	Appropriated Amount	Allocated to Other Departments	Expended by Departments	Purpose
Federal Funds:				
Coronavirus Relief Fund	\$ 666,000,000	\$	\$ 595,972,356	Supplemental appropriation - Coronavirus Relief Fund. See Exhibit 5. Appropriation reduced by \$185 million in Sections 351 and 752 of Public Act 166 of 2020.
DOL-ETA, unemployment insurance	29,109,500		35,495,827	Reappropriated in part 1 appropriations of Public Act 123 of 2020 and reduced boilerplate appropriations to \$0 in Public Act 67 of 2020.
Total Public Act 123 of 2020	\$ 695,109,500	\$ 0	\$ 631,468,183	

Public Act 144 of 2020				
	Appropriated Amount	Allocated to Other Departments	Expended by Departments	Purpose
Federal Funds:				
Coronavirus Relief Fund (CRF)	\$ 150,000,100	\$	\$ 109,810,962	Supplemental appropriation - Coronavirus Relief Fund. See Exhibit 5. Public Act 144 reduced federal appropriations established in Public Act 67 to \$0, and re-appropriated them from the CRF in the same amounts. Appropriation reduced by \$53 million in part 1 Section 105(3) of Public Act 166 of 2020.
Total Public Act 144 of 2020	\$ 150,000,100	\$ 0	\$ 109,810,962	

This exhibit continued on next page.

Public Act 146 of 2020				
	Appropriated Amount	Allocated to Other Departments	Expended by Departments	Purpose
Federal Funds:				
Coronavirus Relief Fund (CRF)	\$ 712,000,000	\$	\$ 682,387,130	Supplemental appropriation - Coronavirus Relief Fund. See Exhibit 5. Public Act 146 reduced federal appropriations established in Public Act 67 to \$0, and re-appropriated them from the CRF in the same amounts.
Total Public Act 146 of 2020	<u>\$ 712,000,000</u>	<u>\$ 0</u>	<u>\$ 682,387,130</u>	

Public Act 150 of 2020				
	Appropriated Amount	Allocated to Other Departments	Expended by Departments	Purpose
FEMA Funds:				
	\$ 10,000,000	\$	\$ 1,408,588	Section 303. Amounts appropriated for administration of the lost wages assistance program.
Total Public Act 150 of 2020	<u>\$ 10,000,000</u>	<u>\$ 0</u>	<u>\$ 1,408,588</u>	

Public Act 166 of 2020				
	Appropriated Amount	Allocated to Other Departments	Expended by Departments	Purpose
General Fund:	\$ 113,000,000	\$	\$ 61,941,681	Sections 752, 949p, and 949q. Amounts appropriated for first responder hazard pay premiums and teacher COVID-19 grants.
Federal Funds:				
Coronavirus Relief Fund	404,000,000		400,622,398	Supplemental Appropriation - Coronavirus Relief Fund. See Exhibit 5.
Private Donations	1,700,000			Section 704 (3) receive and expend language. Funds are to be expended for the purposes designated by the private or public source.
Federal Funds	110,191,000		22,111,261	Section 1009. Amounts appropriated for first responder hazard pay premiums and jail release sentence reduction project.
Total Public Act 166 of 2020	<u>\$ 628,891,000</u>	<u>\$ 0</u>	<u>\$ 484,675,340</u>	

Public Act 53 of 2019				
	Appropriated Amount	Allocated to Other Departments	Expended by Departments	Purpose
FEMA Funds	\$ 520,846,000	\$ 394,334,800	\$ 148,515,635	Section 704(3) federal emergency receive and expend language. The appropriated amount includes \$20,846,000 authorized in October 2019 for other State disaster declarations that can be used for the COVID-19 pandemic. Departmental allocations returned to MSP according to receive and expend language at fiscal year-end. Allocations re-distributed in the new fiscal year.
Private funds	6,828,900	250,000	6,577,535	Section 224(01) private donations receive and expend language. Funds are to be expended for the purposes designated by the private or public source.
Total Public Act 53 of 2019	<u>\$ 527,674,900</u>	<u>\$ 394,584,800</u>	<u>\$ 155,093,169</u>	

This exhibit continued on next page.

Public Act 257 of 2020				
	Appropriated Amount	Allocated to Other Departments	Expended by Departments	Purpose
General Fund:	\$ 243,326,800	\$	\$ 122,802,311	Sections 352-359, 401, 402, 451, 551, and 553. Various coronavirus response activities and programs. See Exhibit 4.
Federal Funds:				
Coronavirus Relief Fund	3,800,000		189,707	Supplemental Appropriation-Coronavirus Relief Fund. See Exhibit 5.
Federal Funds	87,056,200			Sections 356 and 358. COVID-19 direct care worker hazard pay and Medicaid reimbursement of remdesivir. See Exhibit 4.
Total Public Act 257 of 2020	<u>\$ 334,183,000</u>	<u>\$ 0</u>	<u>\$ 122,992,018</u>	
Public Act 2 of 2021				
	Appropriated Amount	Allocated to Other Departments	Expended by Departments	Purpose
General Fund:	\$ 55,000,000	\$	\$	Section 251. COVID-19 direct care worker hazard pay adjustment. See Exhibit 4.
Federal Funds:	730,041,400		5,376,220	Sections 251-255, 301, and 302. Various coronavirus response activities and programs. See Exhibit 4.
Total Public Act 2 of 2021	<u>\$ 785,041,400</u>	<u>\$ 0</u>	<u>\$ 5,376,220</u>	
Public Act 3 of 2021				
	Appropriated Amount	Allocated to Other Departments	Expended by Departments	Purpose
Federal Funds:	\$ 838,964,200	\$	\$	Sections 11n, 11o, 11r, 23b-e, and 104a. Elementary and Secondary School Emergency Relief Fund (ESSER) and Governor's Emergency Education Relief Fund (GEER) programs. See Exhibit 4.
Total Public Act 3 of 2021	<u>\$ 838,964,200</u>	<u>\$ 0</u>	<u>\$ 0</u>	
Total Public Acts	<u>\$ 7,950,095,900</u>	<u>\$ 394,584,800</u>	<u>\$ 4,543,712,295</u>	

Note: Appropriated amounts originate from the Public Acts. Allocated amounts reflect budget authorization to other State departments in order to capture COVID-19 expenditure activity.

Source: The OAG prepared this exhibit based on the specified Public Acts and information obtained from SIGMA and SBO.

COVID-19 EXPENDITURES
State of Michigan

Expenditures by Fund Source, Department, Appropriation, and Response Category
From March 10, 2020 Through March 31, 2021

Public Act 67 of 2020					
Fund	Appropriation/Department	Appropriated Amount	Allocated to Other Departments	Expended by Department	Response Category
General Fund	Coronavirus Public Health Emergency - Health Care Capacity - Health and Human Services	\$ 25,000,000	\$	\$ 17,103,714	COVID Local Support
Federal	Coronavirus Public Health Emergency - Federal - Public Act 67:				
	Michigan Strategic Fund	62,990,900		17,430,114	Multiple (see breakdown below)
	Labor and Economic Opportunity	6,285,000		1,633,048	Multiple (see breakdown below)
	State	11,247,800		10,204,943	Multiple (see breakdown below)
	Education	803,344,900		495,559,927	Multiple (see breakdown below)
	Corrections	423,350,000		422,994,033	COVID State Government Operations
	Health and Human Services	1,238,779,300		962,986,359	Multiple (see breakdown below)
	Military and Veterans Affairs	3,949,700		2,441,284	COVID State Government Operations
	State Police	138,279,900		122,834,280	Multiple (see breakdown below)
	Transportation	344,645,700		188,167,448	Multiple (see breakdown below)
	Natural Resources	1,427,000		1,427,000	COVID State Government Operations
	Licensing and Regulatory Affairs	3,424,800		486,816	COVID State Government Operations
	Technology, Management, and Budget	67,000,000		44,986,983	Multiple (see breakdown below)
	Attorney General	100,000			
	Judiciary	200,000		9,075	COVID State Government Operations
	Total	\$ 3,105,025,000		\$ 2,271,161,311	
	Disaster Assistance:				
	Agriculture	187,500		50,940	COVID State Government Operations
	Corrections	2,232,700		1,255,807	COVID State Government Operations
	Health and Human Services	24,092,500		17,096,651	Multiple (see breakdown below)
	Military and Veterans Affairs	215,800		215,177	COVID State Government Operations
	State Police	15,047,900		447,336	COVID State Government Operations
	Natural Resources	127,200		52,180	COVID Health Care Response
	Technology, Management, and Budget	96,303,200		43,117,568	Multiple (see breakdown below)
	Total	\$ 138,206,800		\$ 62,235,659	
	Total Public Act 67 of 2020	\$ 3,268,231,800	\$ 0	\$ 2,350,500,684	
Public Act 123 of 2020					
Fund	Appropriation/Department	Appropriated Amount	Allocated to Other Departments	Expended by Department	Response Category
Federal	Labor and Economic Opportunity: Unemployment insurance agency	\$ 29,109,500	\$	\$ 35,495,827	COVID State Government Operations
Federal (Coronavirus Relief Fund)	Education: Child care rate reduction stipend District COVID-19 costs	18,000,000		17,999,956	COVID Local Support
	Agriculture and Rural Development: Fair food network - double up food bucks	1,000,000		1,000,000	COVID Business Assistance
	Health and Human Services: COVID-19 direct care worker hazard pay adjustment Personal protection equipment grants Inpatient behavioral health grants Victim services continuity and stability grants Food Bank Council of Michigan Water utility assistance Multicultural integration funding	120,000,000 25,000,000 5,100,000 4,000,000 9,000,000 25,000,000 5,000,000		90,703,172 24,552,250 5,100,000 3,203,511 9,000,000 23,419,654 4,999,890	COVID Local Support COVID Local Support COVID Local Support COVID Local Support COVID Local Support COVID Individual Assistance COVID Local Support
	Michigan Strategic Fund: Small business restart grants (Fund 3139)	115,000,000		114,723,739	COVID Business Assistance
	Michigan State Housing Development Authority: Rental assistance	60,000,000		61,804,648	COVID Other
	Labor and Economic Opportunity: MIOSHA COVID-19 response grants	10,000,000		6,704,289	COVID Local Support
	Licensing and Regulatory Affairs: Nursing facility infection control surveys	1,400,000		481,643	COVID State Government Operations
	Treasury: Device purchasing program/distance learning Hospitality relief fund Local units of government First responder hazard pay premiums	25,000,000 2,500,000 200,000,000 40,000,000		1,549 200,000,000 32,278,055	COVID Individual Assistance COVID Local Support COVID Individual Assistance
	Total Public Act 123 of 2020	\$ 695,109,500	\$ 0	\$ 631,468,183	

This exhibit continued on next page.

Public Act 144 of 2020					
Fund	Appropriation/Department	Appropriated Amount	Allocated to Other Departments	Expended by Department	Response Category
Federal (Coronavirus Relief Fund)	Treasury: Coronavirus relief local government grants	\$ 150,000,000	\$	\$ 109,810,962	COVID Local Support
	Teacher COVID-19 grants				
	Non-teaching school employee COVID-19 grants	100			
	Total Public Act 144 of 2020	<u>\$ 150,000,100</u>	<u>\$ 0</u>	<u>\$ 109,810,962</u>	

Public Act 146 of 2020					
Fund	Appropriation/Department	Appropriated Amount	Allocated to Other Departments	Expended by Department	Response Category
Federal (Coronavirus Relief Fund)	Coronavirus relief fund - operational share: Community Colleges	\$ 36,273,400	\$	\$ 34,828,089	COVID Local Support
	Universities	163,726,600		136,192,318	COVID Local Support
	Coronavirus relief fund - per pupil payments: Education	512,000,000		511,366,723	COVID Local Support
	Total Public Act 146 of 2020	<u>\$ 712,000,000</u>	<u>\$ 0</u>	<u>\$ 682,387,130</u>	

Public Act 150 of 2020					
Fund	Appropriation/Department	Appropriated Amount	Allocated to Other Departments	Expended by Department	Response Category
FEMA	Labor and Economic Opportunity: Administration of lost wages assistance program	\$ 10,000,000	\$	\$ 1,408,588	COVID State Government Operations
	Total Public Act 150 of 2020	<u>\$ 10,000,000</u>	<u>\$ 0</u>	<u>\$ 1,408,588</u>	

Public Act 166 of 2020					
Fund	Appropriation/Department	Appropriated Amount	Allocated to Other Departments	Expended by Department	Response Category
General Fund	Treasury: School support staff COVID-19 grants	\$ 20,000,000	\$	\$ 13,369,648	COVID Individual Assistance
	Teacher COVID-19 grants	53,000,000		38,721,779	COVID Individual Assistance
	Health and Human Services: COVID-19 direct care worker hazard pay adjustment ²	40,000,000		9,850,254	COVID Local Support
Federal	Health and Human Services: COVID-19 direct care worker hazard pay adjustment ²	110,000,000		22,040,056	COVID Local Support
	Judiciary: Appellate public defender program	191,000		71,206	COVID State Government Operations
Federal (Coronavirus Relief Fund)	Corrections: Public safety front line payroll	191,000,000		189,579,509	COVID State Government Operations
	Education: Child care supports	115,000,000		114,979,973	COVID Business Assistance
	Health and Human Services: Skilled nursing facility personal protective equipment Health/Psych hospitals payroll	20,000,000 22,500,000		19,794,951 22,500,000	COVID Local Support COVID Other
	Michigan Strategic Fund: Coronavirus relief fund grants (fund 3139)	10,000,000		10,000,000	COVID Health Care Response
	State Police: Public safety front line payroll	45,500,000		43,767,965	COVID State Government Operations
Private Donations	State Police: Coronavirus public health emergency - private	1,700,000			
	Total Public Act 166 of 2020	<u>\$ 628,891,000</u>	<u>\$ 0</u>	<u>\$ 484,675,340</u>	

Public Act 53 of 2019					
Fund	Appropriation/Department	Appropriated Amount	Allocated to Other Departments	Expended by Department	Response Category
FEMA	Disaster Assistance:				
	State Police	\$ 520,846,000 ¹	\$	\$ 118,343,838	Multiple (see breakdown below)
	Technology, Management, and Budget		303,802,600	28,248,808	Multiple (see breakdown below)
	Corrections		6,697,900	35,244	Multiple (see breakdown below)
	Health and Human Services		76,805,400	1,043,549	Multiple (see breakdown below)
	Natural Resources		381,600		
	Military and Veterans Affairs		6,084,800	844,196	COVID State Government Operations
	Agriculture and Rural Development		562,500		
Private Donations	Coronavirus Public Health Emergency - Private - food banks:				
	State Police	250,000			
	Education		250,000		
	Coronavirus Public Health Emergency - Private: State Police	6,578,900		6,577,535	Multiple (see breakdown below)
	Total Public Act 53 of 2019	\$ 527,674,900	\$ 394,584,800	\$ 155,093,169	

Public Act 257 of 2020					
Fund	Appropriation/Department	Appropriated Amount	Allocated to Other Departments	Expended by Department	Response Category
General Fund	Health and Human Services:				
	COVID-19 direct care worker hazard pay adjustment ²	\$ 26,666,700	\$	\$	
	Coronavirus response activities	25,333,300		12,855,463	COVID Laboratory Testing
	Coronavirus supplies purchasing	15,000,000		14,500	COVID Infection Control
	Coronavirus vaccine strategy	51,334,700		7,407,877	COVID Infection Control
	Long-term care COVID-19 enhancement payments	2,000,000			
	Medicaid reimbursement for remdesivir	4,133,100			
	Temporary hospital staffing assistance	10,000,000			
	Michigan Strategic Fund:				
	Michigan stages survival grants	3,500,000		3,174,257	COVID Business Assistance
	Small business survival grants	55,000,000		55,000,000	COVID Business Assistance
	Military and Veterans Affairs:				
	Coronavirus response activities	1,650,000		2,049	COVID State Government Operations
	Coronavirus response activities - MVFA	1,209,000		(28,900)	COVID State Government Operations
	Treasury:				
	Teacher COVID-19 grants	2,500,000			
	Employee assistance fund	45,000,000		44,377,064	COVID Individual Assistance
Federal	Health and Human Services:				
	COVID-19 direct care worker hazard pay adjustment ²	73,333,300			
	Medicaid reimbursement for remdesivir	13,722,900			
Federal (Coronavirus Relief Fund)	Health and Human Services:				
	Coronavirus response activities	550,000			
	Technology, Management, and Budget:				
	Coronavirus response activities	3,250,000		189,707	COVID State Government Operations
	Total Public Act 257 of 2020	\$ 334,183,000	\$ 0	\$ 122,992,018	

Public Act 2 of 2021					
Fund	Appropriation/Department	Appropriated Amount	Allocated to Other Departments	Expended by Department	Response Category
General Fund	Health and Human Services:				
	COVID-19 direct care worker hazard pay adjustment ²	\$ 55,000,000	\$	\$	
Federal	Health and Human Services:				
	COVID-19 direct care worker hazard pay adjustment ²	95,000,000			
	Federal COVID epidemiology and laboratory capacity	207,500,000		5,376,220	COVID Laboratory Testing
	Federal COVID immunization and vaccine grant reserve fund	110,239,800			
	Community substance use disorder prevention, education, and treatment	17,400,000			
	Federal congregate and home-delivered meals funding	1,330,200			
	Labor and Economic Opportunity:				
	Federal mental health block grant	15,989,700			
	Emergency rental assistance	220,302,200			
	Emergency rental assistance - administrative costs	62,279,500			
	Total Public Act 2 of 2021	\$ 785,041,400	\$ 0	\$ 5,376,220	

This exhibit continued on next page.

Public Act 3 of 2021

Fund	Appropriation/Department	Appropriated Amount	Allocated to Other Departments	Expended by Department	Response Category
Federal	Education:				
	ESSER II - Title I formula allocation	\$ 650,000,000	\$	\$	
	ESSER II - administrative costs	2,733,000			
	ESSER II - summer programming	90,000,000			
	ESSER II - credit recovery	45,000,000			
	ESSER II - before and after school programs	17,400,000			
	GEER II - teacher and support staff payments	21,309,900			
	GEER II - before and after school grants	5,000,000			
	Benchmark assessments	7,521,300			
	Total Public Act 3 of 2021	<u>\$ 838,964,200</u>	<u>\$ 0</u>	<u>\$ 0</u>	
	Total Public Acts	<u>\$ 7,950,095,900</u>	<u>\$ 394,584,800</u>	<u>\$ 4,543,712,295</u>	

Response Category Breakdown

Public Act 67 of 2020		Public Act 53 of 2019	
Michigan Strategic Fund:		State Police:	
COVID Business Assistance	\$ 11,502,400	COVID MSP Receive and Expend Expenditure Credits	\$ 71,207,198
COVID Local Support	<u>5,927,714</u>	COVID State Governmental Operations	<u>47,136,640</u>
Total Michigan Strategic Fund	<u>\$ 17,430,114</u>	Total State Police	<u>\$ 118,343,838</u>
Labor and Economic Opportunity:		Technology, Management, and Budget:	
COVID State Government Operations	\$ 1,387,300	COVID Health Care Response	\$ 75,311,484
COVID Local Support	<u>245,748</u>	COVID MSP Receive and Expend Expenditure Credits	(53,964,769)
Total Labor and Economic Opportunity	<u>\$ 1,633,048</u>	COVID Other	5,241,299
State:		COVID State Governmental Operations	<u>1,660,795</u>
COVID State Government Operations	\$ 2,935	Total Technology, Management, and Budget	<u>\$ 28,248,808</u>
COVID Other	<u>10,202,008</u>	Corrections:	
Total State	<u>\$ 10,204,943</u>	COVID MSP Receive and Expend Expenditure Credits	\$ (3,763,629)
Education:		COVID State Governmental Operations	<u>3,798,873</u>
COVID Business Assistance	\$ 6,251,511	Total Corrections	<u>\$ 35,244</u>
COVID Local Support	488,998,582	Health and Human Services:	
COVID Other	125,817	COVID Health Care Response	\$ 7,000,782
COVID State Governmental Operations	<u>184,017</u>	COVID Infection Control	4,266,038
Total Education	<u>\$ 495,559,927</u>	COVID Local Support	2,246,001
Health and Human Services:		COVID MSP Receive and Expend Expenditure Credits	(12,531,724)
COVID Individual Assistance	\$ 351,792,527	COVID State Governmental Operations	<u>62,452</u>
COVID Contact Tracing	29,352,816	Total Health and Human Services	<u>\$ 1,043,549</u>
COVID Infection Control	51,306,067	Coronavirus Public Health Emergency - Private:	
COVID Lab Testing	310,206,288	State Police:	
COVID Local Support	161,572,173	COVID Other	\$ 6,126
COVID Monitoring	7,020,768	COVID State Governmental Operations	<u>6,571,409</u>
COVID Quarantine Costs	1,840,975	Total State Police	<u>\$ 6,577,535</u>
COVID State Governmental Operations	64,823,942		
COVID Other	\$ 39		
COVID Health Care Response	<u>2,167,416</u>		
Total Health and Human Services	<u>\$ 980,083,010</u>		
State Police:			
COVID Local Support	\$ 27,631		
COVID Other	2,739		
COVID State Governmental Operations	<u>122,803,911</u>		
Total State Police	<u>\$ 122,834,280</u>		
Transportation:			
COVID Local Support	\$ 188,166,827		
COVID State Governmental Operations	<u>621</u>		
Total Transportation	<u>\$ 188,167,448</u>		
Technology, Management, and Budget:			
COVID Health Care Response	\$ 24,680,332		
COVID Other	1,747,100		
COVID State Governmental Operations	<u>61,677,119</u>		
Total Technology, Management, and Budget	<u>\$ 88,104,551</u>		

¹The appropriated amount includes \$20,846,000 authorized in October 2019 for other State disaster declarations that can be used for the COVID-19 pandemic.

²Public Acts 166 and 257 of 2020 and Public Act 2 of 2021 appropriated general purpose and federal funds for COVID-19 direct care worker hazard pay adjustments. We will report expenditures starting with Public Act 166 of 2020 and continue on a first-in, first-out basis.

Source: The OAG prepared this exhibit based on the specified Public Acts and information obtained from SIGMA and SBO.

COVID-19 EXPENDITURES
State of Michigan

Coronavirus Relief Fund (CRF) Payments and Allocations
From March 10, 2020 Through March 31, 2021

	Payment Amount	Recipient
Coronavirus Relief Fund (CARES Act - H.R. 748)	\$ 3,872,510,075	
Payments to Local Governments:	116,915,243	City of Detroit
	114,633,581	Kent County
	152,501,374	Macomb County
	219,438,710	Oakland County
	<u>188,331,621</u>	Wayne County
Remaining Balance	\$ 3,080,689,545	State of Michigan
Allocated to State Agencies as of March 31, 2021	<u>3,083,955,400</u>	
Remaining CRF to be Allocated	<u>\$ (3,265,855)</u>	

Public Act 67 of 2020

CRF Description of Uses	Allocated Amount	Department
Hazard/Premium Pay - Frontline Workers	\$ 9,485,400	Health and Human Services
	55,150,000	Corrections
	2,164,200	Military and Veterans Affairs
	1,427,000	Natural Resources
	10,471,900	State Police
Food Banks	2,250,000	Education
Health Care Provider Payments	50,000,000	Health and Human Services
Office of Pandemic Preparedness	1,000,000	State Police
Statewide PPE Stockpile	1,000,000	State Police
Office of Accountability	1,000,000	Technology, Management, and Budget
Public Safety Front Line Payroll	368,200,000	Corrections
	106,800,000	State Police
Additional Future Response Activities	335,000,000	Health and Human Services
	66,000,000	Technology, Management, and Budget
FEMA 25% Match	187,500	Agriculture and Rural Development
	2,232,700	Corrections
	24,092,500	Health and Human Services
	215,800	Military and Veterans Affairs
	127,200	Natural Resources
	15,047,900	State Police
	<u>96,303,200</u>	Technology, Management, and Budget
Total CRF Allocations - Public Act 67 of 2020	<u>\$ 1,148,155,300</u>	

This exhibit continued on next page.

Public Act 123 of 2020

CRF Description of Uses	Allocated Amount	Department
Double Up Food Bucks	\$ 1,000,000	Agriculture and Rural Development
School District Grants for Instructional Recovery Programming, Benchmark Assessments, or Health and Safety	18,000,000	Education
Direct Care Worker Pay Increase \$2/hour	120,000,000	Health and Human Services
Personal Protection Equipment for Priority Providers	25,000,000	Health and Human Services
Inpatient Behavior Health Grants for \$100 Per Diem Increase	5,100,000	Health and Human Services
Victim Services Continuity and Stability Grants	4,000,000	Health and Human Services
Food Bank Council of Michigan	9,000,000	Health and Human Services
Water Utility Assistance	25,000,000	Health and Human Services
Multicultural Services	5,000,000	Health and Human Services
Small Business Restart Grants	115,000,000	Michigan Strategic Fund
Rental Assistance and Eviction Diversion	60,000,000	Michigan State Housing Development Authority
MIOSHA Response Grants	10,000,000	Labor and Economic Opportunity
Nursing Home Infection Control Surveys	1,400,000	Licensing and Regulatory Affairs
Device Purchasing Program for Distance Learning	25,000,000	Treasury
Hospitality Relief Fund	2,500,000	Treasury
Allocations to Local Units of Governments for Public Safety and Public Health Payroll	200,000,000	Treasury
Hazard Pay for First Responders	40,000,000	Treasury
Total CRF Allocations - Public Act 123 of 2020	\$ 666,000,000	

Public Act 144 of 2020

CRF Description of Uses	Allocated Amount	Department
Local Units of Government Payments	\$ 150,000,000	Treasury
Hazard Pay for Non-Teaching School Employees	100	Treasury
Total CRF Allocations - Public Act 144 of 2020	\$ 150,000,100	

Public Act 146 of 2020

CRF Description of Uses	Allocated Amount	Department
School District Per-Pupil Payment	\$ 512,000,000	Education
Community Colleges Operational Payments	36,273,400	Community Colleges
Universities Operational Payments	163,726,600	Universities and Financial Aid
Total CRF Allocations - Public Act 146 of 2020	\$ 712,000,000	

This exhibit continued on next page.

Public Act 166 of 2020

CRF Description of Uses	Allocated Amount	Department
Public Safety Front Line Payroll	\$ 191,000,000 45,500,000	Corrections State Police
Child Care Supports	115,000,000	Education
Mental Health/Psychiatric Hospitals Payroll	22,500,000	Health and Human Services
Skilled Nursing Facility Personal Protective Equipment	20,000,000	Health and Human Services
Grants to COVID Testing Facilities	<u>10,000,000</u>	Michigan Strategic Fund
Total CRF Allocations - Public Act 166 of 2020	<u><u>\$ 404,000,000</u></u>	

Public Act 257 of 2020

CRF Description of Uses	Allocated Amount	Department
Coronavirus response activities	\$ 550,000 <u>3,250,000</u>	Health and Human Services Technology, Management, and Budget
Total CRF Allocations - Public Act 257 of 2020	<u><u>\$ 3,800,000</u></u>	
Total CRF Allocations - All Public Acts	<u><u>\$ 3,083,955,400</u></u>	

Source: The OAG prepared this exhibit based on information obtained from the U.S. Department of Treasury, SIGMA, and SBO.

COVID-19 EXPENDITURES
State of Michigan

Expenditures by Department, Appropriation, and Response Category
From March 10, 2020 Through March 31, 2021

Appropriations (includes operating budgets)	Response Category	Total Expenditures
Agriculture and Rural Development		\$ 1,223,326
Agriculture development	COVID State Government Operations	1,205
Animal disease prevention and response	COVID State Government Operations	95,505
Central licensing and customer service call center	COVID State Government Operations	1,115
Consumer protection program	COVID State Government Operations	5,674
Disaster assistance	COVID MSP Receive and Expend Expenditure Credits ¹	(153,003)
	COVID State Government Operations	203,943
Emergency management	COVID State Government Operations	2,680
Environmental stewardship - MAEAP	COVID State Government Operations	5,436
Executive direction	COVID State Government Operations	10,928
Fair food network - double up food bucks	COVID Business Assistance	1,000,000
Fairs and racing	COVID State Government Operations	1,054
Farmland and open space preservation	COVID State Government Operations	769
Food safety and quality assurance	COVID State Government Operations	7,048
Intercounty drain	COVID State Government Operations	408
Laboratory services	COVID State Government Operations	26,890
Michigan craft beverage council	COVID State Government Operations	80
Migrant labor housing	COVID State Government Operations	544
Milk safety and quality assurance	COVID State Government Operations	1,479
Pesticide and plant pest management	COVID State Government Operations	9,455
Producer security/grain dealers	COVID State Government Operations	866
Qualified forest program	COVID State Government Operations	131
Right-to-farm	COVID State Government Operations	495
USDA monitoring	COVID State Government Operations	623
Attorney General		\$ 98,235
Antitrust, secur fraud, cons protect or class act enf cases	COVID State Government Operations	23,386
Attorney general operations	COVID State Government Operations	13,338
Child support enforcement	COVID State Government Operations	372
Child support enforcement personnel	COVID State Government Operations	353
Department of attorney general	COVID State Government Operations	60,680
Prosecuting attorneys coordinating council	COVID State Government Operations	37
Prosecuting attorneys coordinating council personnel	COVID State Government Operations	69
Civil Service Commission		\$ 35,014
Agency services	COVID State Government Operations	3,995
Employee benefits	COVID State Government Operations	1,905
Executive direction - Civil Service	COVID State Government Operations	9,254
Human resources operations	COVID State Government Operations	12,387
Information technology services and projects - Civil Service	COVID State Government Operations	7,473
Community Colleges		\$ 34,828,089
Coronavirus relief fund - operational share	COVID Local Support	34,828,089
Corrections		\$ 646,970,626
Alger Correctional Facility - Munising	COVID State Government Operations	4,413,918
Baraga Correctional Facility - Baraga	COVID State Government Operations	5,561,524
Bellamy Creek Correctional Facility - Ionia	COVID State Government Operations	7,453,139
Budget and operations administration	COVID State Government Operations	27,312
Carson City Correctional Facility - Carson City	COVID State Government Operations	7,774,525
Central Michigan Correctional Facility - St. Louis	COVID State Government Operations	7,410,442
Charles E. Egeler Correctional Facility - Jackson	COVID State Government Operations	6,422,745
Chippewa Correctional Facility - Kincheloe	COVID State Government Operations	8,698,691
Clinical complexes	COVID State Government Operations	44,133,766
Cooper Street Correctional Facility - Jackson	COVID State Government Operations	4,642,976
Coronavirus public health emergency - federal - PA 67	COVID State Government Operations	422,994,033
Correctional facilities administration	COVID State Government Operations	1,727,341
Detroit Detention Center	COVID State Government Operations	435,486
Detroit Reentry Center	COVID State Government Operations	4,282,168

This exhibit continued on next page.

Corrections (Continued)		
Disaster assistance	COVID MSP Receive and Expend Expenditure Credits ¹	(3,763,629)
	COVID State Government Operations	5,054,680
Earnest C. Brooks Correctional Facility - Muskegon	COVID State Government Operations	4,510,136
Education/skilled trades/career readiness programs	COVID State Government Operations	2,181
Executive direction	COVID State Government Operations	50
Field operations	COVID State Government Operations	165,553
G. Robert Cotton Correctional Facility - Jackson	COVID State Government Operations	6,953,529
Gus Harrison Correctional Facility - Adrian	COVID State Government Operations	7,866,255
Health care administration	COVID State Government Operations	185,846
Ionia Correctional Facility - Ionia	COVID State Government Operations	5,357,826
Kinross Correctional Facility - Kincheloe	COVID State Government Operations	4,842,887
Lakeland Correctional Facility - Coldwater	COVID State Government Operations	4,912,156
Leased beds and alternatives to leased beds	COVID State Government Operations	599,348
Macomb Correctional Facility - New Haven	COVID State Government Operations	5,306,561
Marquette Branch Prison - Marquette	COVID State Government Operations	5,770,943
Mental health and substance abuse treatment services	COVID State Government Operations	6,601,019
Michigan Reformatory - Ionia	COVID State Government Operations	5,175,189
Muskegon Correctional Facility - Muskegon	COVID State Government Operations	3,820,622
New custody staff training	COVID State Government Operations	44,850
Newberry Correctional Facility - Newberry	COVID State Government Operations	3,798,083
Northern region administration and support	COVID State Government Operations	99,181
Oaks Correctional Facility - Eastlake	COVID State Government Operations	5,601,689
Offender success services	COVID State Government Operations	303,275
Parnall Correctional Facility - Jackson	COVID State Government Operations	4,586,074
Parole board operations	COVID State Government Operations	30
Prison food service	COVID State Government Operations	136,989
Prisoner health care services	COVID State Government Operations	231,065
Richard A. Handlon Correctional Facility - Ionia	COVID State Government Operations	4,453,027
Saginaw Correctional Facility - Freeland	COVID State Government Operations	5,219,381
Southern region administration and support	COVID State Government Operations	747,089
Special alternative incarceration program - Cassidy Lake	COVID State Government Operations	684,459
St. Louis Correctional Facility - St. Louis	COVID State Government Operations	6,231,596
Thumb Correctional Facility - Lapeer	COVID State Government Operations	5,756,072
Transportation	COVID State Government Operations	5,146,258
Unappropriated - no control ^c	COVID State Government Operations	1,561
Womens Huron Valley Correctional Complex - Ypsilanti	COVID State Government Operations	8,758,493
Woodland Correctional Facility - Whitmore Lake	COVID State Government Operations	5,832,238

Education		\$ 1,351,635,456
Accountability services operations	COVID State Government Operations	453
Adolescent and school health	COVID State Government Operations	4
Camp Tuhsmeheeta	COVID State Government Operations	1,177
Career and technical education operations	COVID State Government Operations	314
Central support operations	COVID State Government Operations	7,411
Child care supports	COVID Business Assistance	114,975,026
Coronavirus public health emergency - federal - PA 67	COVID Business Assistance	6,251,511
	COVID Local Support	488,998,582
	COVID Other	125,817
	COVID State Government Operations	184,017
Coronavirus relief fund - per pupil payments	COVID Local Support	511,366,723
District COVID-19 costs	COVID Local Support	17,999,956
Educational supports operations	COVID State Government Operations	5,216
Educator excellence operations	COVID State Government Operations	2,115
Grant and contract operations	COVID State Government Operations	814
Information technology services and projects	COVID State Government Operations	10,381
Library of Michigan operations	COVID Other	63,579
	COVID State Government Operations	16,362
Library services and technology program	COVID Other	16,015
	COVID State Government Operations	1,071
Mental health grants	COVID State Government Operations	68
Michigan eLibrary	COVID Other	127,752
	COVID State Government Operations	1,176
Michigan schools for the deaf and blind operations	COVID Local Support	32,636
	COVID Other	1,993
	COVID State Government Operations	906
National school lunch	COVID Local Support	211,374,701

This exhibit continued on next page.

Education (Continued)		
Office of great start operations	COVID Local Support	17,267
	COVID State Government Operations	3,932
Office of systems, evaluation, and technology operations	COVID State Government Operations	611
Partnership district support operations	COVID State Government Operations	64
School support services operations	COVID State Government Operations	31,561
Special education operations	COVID State Government Operations	1,398
State board/superintendent operations	COVID State Government Operations	5,768
Unappropriated - write-offs	COVID Business Assistance	4,947
	COVID Local Support	4,130
Environment, Great Lakes, and Energy		
		\$ 880,516
Air quality programs	COVID State Government Operations	5,135
Central support services	COVID State Government Operations	557
Contaminated site investigations, cleanup and revitalization	COVID State Government Operations	308
Drinking water	COVID State Government Operations	2,047
Facilities management	COVID State Government Operations	18,336
Information technology services and projects	COVID State Government Operations	101,240
Low-level radioactive waste authority	COVID State Government Operations	5
Mapping and other support	COVID Other	21,286
	COVID State Government Operations	10,154
Medical waste program	COVID State Government Operations	5
Municipal assistance	COVID State Government Operations	35
NPDES nonstormwater program	COVID State Government Operations	760
Oil, gas, and mineral services	COVID State Government Operations	4,995
Pollution prevention	COVID State Government Operations	379
Radiological protection program	COVID State Government Operations	37
Refined petroleum product cleanup program	COVID State Government Operations	462
Renew Michigan program	COVID Local Support	707,289
	COVID State Government Operations	2,018
Renewing Michigan's environment program	COVID Local Support	4,742
Scrap tire regulatory program	COVID State Government Operations	216
Solid waste management program	COVID State Government Operations	512
Gaming Control Board		
		\$ 43,424
Gaming control administration	COVID State Government Operations	42,157
Horse racing	COVID State Government Operations	594
Millionaire party regulation	COVID State Government Operations	674
Health and Human Services		
		\$ 1,373,146,393
Adoption support services	COVID Individual Assistance	130
Adult home help services	COVID Individual Assistance	15,848,434
Aging and adult services administration	COVID Other	(87)
	COVID State Government Operations	189,192
AIDS prevention, testing, and care programs	COVID Laboratory Testing	141
	COVID Other	759
	COVID State Government Operations	4,738
Autism services	COVID Local Support	684,780
Behavioral health facility contingency	COVID Other	318,926
Behavioral health program administration	COVID Other	593,070
Bioterrorism preparedness	COVID Infection Control	36,096
	COVID Laboratory Testing	77,258
	COVID Local Support	3,574
Boilerplate - write-offs	COVID Contact Tracing	3,423
	COVID Individual Assistance	202,151
	COVID Laboratory Testing	6,615
	COVID Local Support	(130,076)
	COVID Other	12,858
	COVID Quarantine Costs	253
Bridges information system	COVID State Government Operations	94,596
Cancer prevention and control program	COVID State Government Operations	55
Caro Reg Mental Health Center - psych hospital - adult	COVID Other	4,400,000
Caro Reg Mental Health Center or nearby health center	COVID Other	1,313
Center for forensic psychiatry	COVID Other	6,310,000
Child welfare contractual services, supplies, and materials	COVID State Government Operations	714
Children with serious emotional disturbance waiver	COVID Local Support	100,000
Children's waiver home care program	COVID Local Support	400,000

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Health and Human Services (Continued)		
Community services and outreach administration	COVID Infection Control	1,623
Coronavirus public health emergency - federal - PA 67	COVID Contact Tracing	29,349,393
	COVID Individual Assistance	351,590,375
	COVID Infection Control	49,884,055
	COVID Laboratory Testing	300,199,673
	COVID Local Support	159,001,188
	COVID Monitoring	7,020,768
	COVID Quarantine Costs	1,041,561
	COVID State Government Operations	64,823,942
Coronavirus public health emergency - health care capacity	COVID Local Support	17,083,895
Coronavirus response activities	COVID Laboratory Testing	12,855,463
Coronavirus supplies purchasing	COVID Infection Control	14,500
Coronavirus vaccine strategy	COVID Infection Control	7,407,877
COVID-19 direct care worker hazard pay adjustment	COVID Local Support	122,593,481
Demonstration projects	COVID Health Care Response	166,178
	COVID Laboratory Testing	55,000
Departmental administration and management	COVID Contact Tracing	173
	COVID Health Care Response	162
	COVID Individual Assistance	573
	COVID Laboratory Testing	5
	COVID Local Support	4
	COVID Monitoring	84
	COVID Other	897
	COVID State Government Operations	183
Disability determination operations	COVID Infection Control	4
Disaster assistance	COVID Health Care Response	9,168,198
	COVID Infection Control	5,688,050
	COVID Laboratory Testing	10,000,000
	COVID Local Support	4,954,062
	COVID MSP Receive and Expend Expenditure Credits ¹	(12,531,724)
	COVID Quarantine Costs	799,161
Epidemiology administration	COVID State Government Operations	62,452
	COVID Contact Tracing	828
	COVID Infection Control	29,926
	COVID Laboratory Testing	3,164
	COVID Monitoring	2,814
	COVID Other	(2,936)
	COVID State Government Operations	6,937
Essential local public health services	COVID Local Support	932,942
Family preservation programs	COVID Monitoring	104
	COVID Other	92
Federal COVID epidemiology and laboratory capacity	COVID Laboratory Testing	5,376,220
Field policy and administration	COVID State Government Operations	106,078
Field services contractual services, supplies, and materials	COVID Infection Control	127,430
Food assistance program benefits	COVID Individual Assistance	50,573,738
Food Bank Council of Michigan	COVID Local Support	9,000,000
Foster care payments	COVID Individual Assistance	4,169
Hawthorn Center - psych hospital - children and adolescents	COVID Other	3,387,348
	COVID State Government Operations	1,756
	COVID State Government Operations	1,505
Healthy homes program	COVID State Government Operations	1,505
Healthy Michigan plan	COVID Individual Assistance	376,271
Healthy Michigan plan - behavioral health	COVID Local Support	1,208,405
Hepatitis A outbreak response	COVID Laboratory Testing	26,633
Immunization program	COVID Contact Tracing	6,582
	COVID Individual Assistance	3,250
	COVID Infection Control	20,748
	COVID Local Support	2,475,880
	COVID Other	2,669
Information technology contingency	COVID State Government Operations	32
Inpatient behavioral health grants	COVID Local Support	5,100,000
Kalamazoo Psychiatric Hospital - adult	COVID Other	4,972,500
Laboratory services	COVID Monitoring	55
Local health services	COVID Infection Control	103,972
	COVID Local Support	1,892,884
	COVID Monitoring	313
	COVID State Government Operations	712

This exhibit continued on next page.

Health and Human Services (Continued)		
Medicaid mental health services	COVID Local Support	20,478,337
Medicaid substance use disorder services	COVID Local Support	195,855
Medical services administration	COVID Other	2
Multicultural integration funding	COVID Local Support	4,999,890
Newborn screening follow-up and treatment services	COVID Other	709
Personal protection equipment grants	COVID Local Support	24,552,250
PFAS and environmental contamination response	COVID Health Care Response	13,872
	COVID Infection Control	2,818
Prenatal care outreach and service delivery support	COVID Contact Tracing	7,835
Public assistance field staff	COVID Local Support	2
	COVID Other	1,147
Second line supervisors and technical staff	COVID Quarantine Costs	682
Sexually transmitted disease control program	COVID Other	1,630
Shawono center	COVID Infection Control	11,134
Skilled nursing facility personal protective equipment	COVID Local Support	19,794,951
Smoking prevention program	COVID State Government Operations	2,502
Victim services continuity and stability grants	COVID Local Support	3,203,511
Walter P. Reuther Psychiatric Hospital - adult	COVID Other	3,477,372
Water utility assistance	COVID Individual Assistance	23,419,654
Women, infants, children prog local agreements - food costs	COVID Individual Assistance	16,849,052
Insurance and Financial Services		\$ 53,980
Consumer services and protection	COVID State Government Operations	15,545
Department services	COVID State Government Operations	5,583
Financial institutions evaluation	COVID State Government Operations	4,505
Insurance evaluation	COVID State Government Operations	28,347
Judiciary		\$ 186,821
Appellate public defender program	COVID State Government Operations	80,853
Branchwide appropriations	COVID State Government Operations	6,715
Compliance with Montgomery v Louisiana decision	COVID State Government Operations	24
Coronavirus public health emergency - federal - PA 67	COVID State Government Operations	9,075
Court of appeals operations	COVID Monitoring	19
	COVID State Government Operations	18,426
Judicial information systems	COVID State Government Operations	66,283
Judicial institute	COVID State Government Operations	16
Judicial technology improvement fund	COVID State Government Operations	2,023
Judicial tenure commission	COVID State Government Operations	291
State court administrative office	COVID State Government Operations	1,973
Supreme court administration	COVID State Government Operations	1,122
Labor and Economic Opportunity		\$ 130,114,973
Administration of lost wages assistance program	COVID State Government Operations	1,408,588
Bureau of services for blind persons	COVID State Government Operations	1,688
Commission on Middle Eastern American affairs	COVID Other	50,000
Coronavirus public health emergency - federal - PA 67	COVID Local Support	245,748
	COVID State Government Operations	1,387,300
Executive direction and operations	COVID State Government Operations	20,892
Information technology services and projects	COVID State Government Operations	9,068,976
Insurance funds administration	COVID State Government Operations	296
Michigan occupational safety and health administration	COVID State Government Operations	22,635
Michigan reconnect grant program	COVID State Government Operations	14
Michigan rehabilitation services	COVID State Government Operations	6,164
MIOSHA COVID-19 response grants	COVID Business Assistance	6,499,191
	COVID Local Support	205,098
Office of global Michigan	COVID State Government Operations	133
Special project advances	COVID State Government Operations	15
Unemployment insurance agency	COVID Individual Assistance	7,262
	COVID Other	39,238
	COVID State Government Operations	108,037,817
Wage and hour program	COVID State Government Operations	1,580
Workers' disability compensation agency	COVID State Government Operations	419
Workers' disability compensation agency	COVID State Government Operations	257
Workforce development programs	COVID Business Assistance	3,000,000
Workforce program administration	COVID Other	21,796
	COVID State Government Operations	89,866

This exhibit continued on next page.

Licensing and Regulatory Affairs		\$ 2,341,997
Administrative services	COVID State Government Operations	45,476
Adult foster care and camps licensing and regulation	COVID State Government Operations	19,706
Bureau of community and health systems	COVID State Government Operations	39
Bureau of community and health systems administration	COVID State Government Operations	47,474
Bureau of construction codes	COVID State Government Operations	38,869
Bureau of fire services	COVID State Government Operations	314,249
Bureau of professional licensing	COVID State Government Operations	47,774
Childcare licensing and regulation	COVID State Government Operations	6,445
Coronavirus public health emergency - federal - PA 67	COVID State Government Operations	486,816
Corporations, securities, and commercial licensing bureau	COVID State Government Operations	32,986
Executive director programs	COVID State Government Operations	5,115
Firefighter training grants	COVID State Government Operations	9
FOIA coordination	COVID State Government Operations	267
Health facilities regulation	COVID State Government Operations	18,522
Liquor licensing and enforcement	COVID State Government Operations	36,515
Management support services	COVID State Government Operations	16,093
Medical marihuana facilities licensing and tracking	COVID State Government Operations	11,028
Medical marihuana program	COVID State Government Operations	4,295
Michigan indigent defense commission	COVID State Government Operations	3,585
Michigan office of administrative hearings and rules	COVID State Government Operations	658,451
Nurse aide program	COVID State Government Operations	146
Nursing facility infection control surveys	COVID State Government Operations	481,643
Public service commission	COVID State Government Operations	63,946
Recreational marihuana regulation	COVID State Government Operations	2,549
Lottery		\$ 68,262
Lottery operations	COVID Other	31,967
	COVID State Government Operations	36,295
Michigan Economic Development Corporation		\$ 6,778,359
Unappropriated - no control ²	COVID Business Assistance	6,153,359
	COVID Other	625,000
Michigan State Housing Development Authority		\$ 61,906,268
Housing and rental assistance	COVID State Government Operations	84,111
Mich state housing develop auth tech services and projects	COVID State Government Operations	17,509
Rental assistance	COVID Other	61,804,648
Michigan Strategic Fund		\$ 222,553,910
Business attraction and community revitalization	COVID Business Assistance	6,968,677
Coronavirus public health emergency - federal - PA 67	COVID Business Assistance	11,502,400
	COVID Local Support	5,927,714
Coronavirus relief fund grants	COVID Health Care Response	10,000,000
Entrepreneurship eco-system	COVID Business Assistance	769,253
GF/GP trans to business attraction and comm revitalization	COVID Business Assistance	3,031,323
Job creation services (interlocal)	COVID Business Assistance	4,800
Jobs for Michigan investment program	COVID Business Assistance	11,451,747
Michigan stages survival grants (interlocal)	COVID Business Assistance	3,174,257
Small business restart grants	COVID Business Assistance	114,723,739
Small business survival grants (interlocal)	COVID Business Assistance	55,000,000
Michigan Veterans' Facility Authority		\$ 8,665
Coronavirus response activities	COVID State Government Operations	(28,900)
D.J. Jacobetti home for veterans	COVID State Government Operations	29,333
Grand Rapids home for veterans	COVID State Government Operations	3,367
Michigan veteran homes administration	COVID State Government Operations	4,865
Military and Veterans Affairs		\$ 3,781,380
Board of managers (veterans homes)	COVID State Government Operations	11,874
Coronavirus public health emergency - federal - PA 67	COVID State Government Operations	2,441,284
Coronavirus response activities	COVID State Government Operations	2,049
County veteran service fund	COVID Individual Assistance	216,743
D.J. Jacobetti home for veterans	COVID State Government Operations	2,490
Disaster assistance	COVID MSP Receive and Expend Expenditure Credits ¹	(637,535)
	COVID State Government Operations	1,696,908
Headquarters and armories	COVID State Government Operations	2,333

This exhibit continued on next page.

Military and Veterans Affairs (Continued)		
Michigan youth challenge academy	COVID State Government Operations	16,032
Military training sites and support facilities	COVID State Government Operations	4,063
National guard operations	COVID State Government Operations	25,138
Natural Resources		\$ 1,911,655
Coronavirus public health emergency - federal - PA 67	COVID State Government Operations	1,427,000
Disaster assistance	COVID Health Care Response	208,718
	COVID MSP Receive and Expend Expenditure Credits ¹	(156,539)
Finance and operations	COVID State Government Operations	11,142
Fish production	COVID State Government Operations	2,322
Fisheries resource management	COVID State Government Operations	9,189
Forest management and timber market development	COVID State Government Operations	10,135
General law enforcement	COVID State Government Operations	6,988
MacMullan conference center	COVID State Government Operations	38
Marketing and outreach	COVID State Government Operations	978
Michigan historical center	COVID State Government Operations	3,743
Minerals management	COVID State Government Operations	389
Recreational boating	COVID State Government Operations	162
Snowmobile local grants program	COVID State Government Operations	439
State parks	COVID State Government Operations	19,323
Wildfire protection	COVID Other	355,961
	COVID State Government Operations	3,302
Wildlife management	COVID State Government Operations	8,365
State		\$ 14,146,040
Automatic voter reg and no-reason absentee voting implement	COVID Other	304,317
Branch operations	COVID State Government Operations	200,077
Central operations	COVID State Government Operations	11,229
Coronavirus public health emergency - federal - PA 67	COVID Other	10,202,008
	COVID State Government Operations	2,935
Department services operations	COVID State Government Operations	124,380
Education and training services	COVID Other	719,803
Election administration and services	COVID Other	583,092
	COVID State Government Operations	1,747
Executive direction	COVID Other	558
	COVID State Government Operations	1,802
Help America Vote Act	COVID Other	962,768
	COVID State Government Operations	19,958
Information technology services and projects	COVID Other	828,500
Legal services operations	COVID Other	175,192
	COVID State Government Operations	3,026
Motorcycle safety education administration	COVID State Government Operations	64
Property management	COVID State Government Operations	4,583
State Building Authority		\$ 134
State building authority	COVID State Government Operations	134
State Land Bank Authority		\$ 474
State land bank authority	COVID State Government Operations	474
State Police		\$ 292,323,433
Commercial vehicle enforcement	COVID State Government Operations	77,976
Coronavirus public health emergency - federal - PA 67	COVID Local Support	27,631
	COVID Other	2,739
	COVID State Government Operations	122,803,911
Coronavirus public health emergency - private	COVID Other	6,126
	COVID State Government Operations	6,571,409
Department services	COVID State Government Operations	6,364
Disaster assistance	COVID MSP Receive and Expend Expenditure Credits ¹	71,207,198
	COVID State Government Operations	47,583,976
Emergency management and homeland security	COVID State Government Operations	213,217
Forensic science	COVID State Government Operations	800
Post operations	COVID State Government Operations	43,419,244
Special operations	COVID State Government Operations	384,438
Training	COVID State Government Operations	18,406

This exhibit continued on next page.

Technology, Management, and Budget		\$ 117,966,238
Coronavirus public health emergency - federal - PA 67	COVID Health Care Response	12,108
	COVID State Government Operations	44,974,875
Coronavirus response activities	COVID State Government Operations	189,707
Disaster assistance	COVID Health Care Response	99,979,708
	COVID MSP Receive and Expend Expenditure Credits ¹	(53,964,769)
	COVID Other	6,988,399
	COVID State Government Operations	18,363,038
Unappropriated - no control ²	COVID Health Care Response	1,423,172
Transportation		\$ 188,789,281
Blue Water Bridge operations	COVID Other	1,071
	COVID State Government Operations	22,341
Business services	COVID State Government Operations	5,527
Coronavirus public health emergency - federal - PA 67	COVID Local Support	188,166,827
	COVID State Government Operations	621
Finance, contracts, and support services	COVID State Government Operations	383
Information technology services and projects	COVID State Government Operations	198,325
MDOT - state trunkline federal aid and road-bridge construction	COVID Other	342
	COVID State Government Operations	8,252
Planning services	COVID State Government Operations	307
Program development and delivery	COVID Other	1,046
	COVID State Government Operations	93,551
State trunkline operations	COVID Other	13,509
	COVID State Government Operations	248,457
System operations management	COVID Infection Control	942
	COVID Other	115
	COVID State Government Operations	27,666
Treasury		\$ 438,676,206
City income tax administration program	COVID State Government Operations	500
Collections services bureau	COVID State Government Operations	22,568
Common cash and debt management	COVID State Government Operations	263
Coronavirus relief local government grants	COVID Local Support	109,810,962
Department services	COVID Other	75
	COVID State Government Operations	32,987
Employee assistance fund	COVID Individual Assistance	44,377,065
Executive direction and operations	COVID State Government Operations	1,595
First responder hazard pay premiums	COVID Individual Assistance	32,278,055
Hospitality relief fund	COVID Individual Assistance	1,549
Investments	COVID State Government Operations	1,119
Local finance	COVID State Government Operations	734
Local units of government	COVID Local Support	200,000,000
Michigan finance authority - bond finance	COVID State Government Operations	1,887
Office of accounting services	COVID State Government Operations	3,574
Office of financial services	COVID State Government Operations	2,968
Office of revenue and tax analysis	COVID State Government Operations	3,207
Property tax assessor training	COVID State Government Operations	213
School support staff COVID-19 grants	COVID Individual Assistance	13,369,648
State and authority finance	COVID State Government Operations	108
Student financial assistance programs	COVID State Government Operations	2,212
Supervision of the general property tax law	COVID State Government Operations	7,458
Tax and economic policy	COVID State Government Operations	1,914
Tax compliance	COVID State Government Operations	16,720
Tax processing	COVID Other	85
	COVID State Government Operations	14,516
Teacher COVID-19 grants	COVID Individual Assistance	38,721,779
Tobacco tax enforcement	COVID State Government Operations	5
Unappropriated - excess revenue	COVID State Government Operations	1,252
Unclaimed property	COVID State Government Operations	1,190

This exhibit continued on next page.

Universities		\$	136,192,318
Coronavirus relief fund - operational share	COVID Local Support		136,192,318
Total COVID-19 Expenditures		\$	5,026,661,472

¹MSP Receive and Expend Expenditure Credits is used to move the originating expenditures incurred by State Departments for Health Care Response back to the Michigan State Police, which was the original appropriated funding source in Public Act 53 of 2019.

²Unappropriated - no control is a default title in SIGMA that signifies that there are no budgetary controls. This designation could either indicate that expenditures were incurred prior to specific COVID-19 coding being available and will be adjusted accordingly in future reports or the expenditures are related to funds that do not have budgetary controls, such as proprietary funds and component unit funds.

Source: The OAG prepared this exhibit based on information obtained from SIGMA and SBO.

COVID-19 EXPENDITURES
State of Michigan

Expenditures by Response Category for All Appropriations
From March 10, 2020 Through March 31, 2021

Department	Business Assistance	Contact Tracing	Health Care Response	Individual Assistance	Infection Control	Laboratory Testing
Agriculture and Rural Development	\$ 1,000,000	\$	\$	\$	\$	\$
Attorney General						
Civil Service Commission						
Community Colleges						
Corrections						
Education	121,231,484					
Environment, Great Lakes, and Energy						
Gaming Control Board						
Health and Human Services		29,368,234	9,348,410	458,867,797	63,328,233	328,600,172
Insurance and Financial Services						
Judiciary						
Labor and Economic Opportunity	9,499,191			7,262		
Licensing and Regulatory Affairs						
Lottery						
Michigan Economic Development Corporation	6,153,359					
Michigan State Housing Development Authority						
Michigan Strategic Fund	206,626,196		10,000,000			
Michigan Veterans' Facility Authority						
Military and Veterans Affairs				216,743		
Natural Resources			208,718			
State						
State Building Authority						
State Land Bank Authority						
State Police						
Technology, Management, and Budget			101,414,988			
Transportation					942	
Treasury				128,748,095		
Universities						
Total	<u>\$ 344,510,230</u>	<u>\$ 29,368,234</u>	<u>\$ 120,972,116</u>	<u>\$ 587,839,898</u>	<u>\$ 63,329,175</u>	<u>\$ 328,600,172</u>

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COVID-19 EXPENDITURES
State of Michigan

Expenditures by Response Category for All Appropriations
From March 10, 2020 Through March 31, 2021

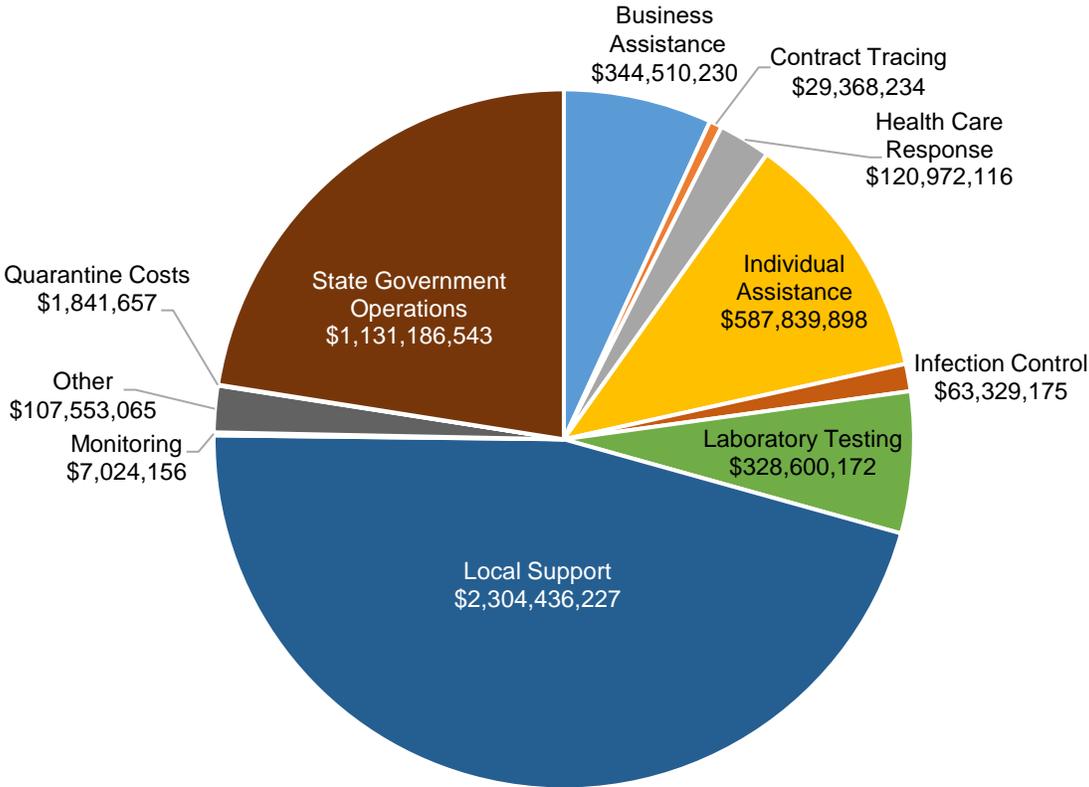
Local Support	Monitoring	MSP Receive and Expend Expenditure Credits ¹	Other	Quarantine Costs	State Government Operations	Total
\$	\$	\$ (153,003)	\$	\$	\$ 376,329	\$ 1,223,326
					98,235	98,235
					35,014	35,014
34,828,089						34,828,089
		(3,763,629)			650,734,255	646,970,626
1,229,793,995			335,156		274,820	1,351,635,456
712,030			21,286		147,199	880,516
					43,424	43,424
398,525,814	7,024,137	(12,531,724)	23,478,269	1,841,657	65,295,393	1,373,146,393
					53,980	53,980
	19				186,802	186,821
450,846			111,034		120,046,640	130,114,973
			0		2,341,997	2,341,997
			31,967		36,295	68,262
			625,000			6,778,359
			61,804,648		101,620	61,906,268
5,927,714						222,553,910
					8,665	8,665
		(637,535)			4,202,172	3,781,380
		(156,539)	355,961		1,503,515	1,911,655
			13,776,238		369,801	14,146,040
					134	134
					474	474
27,631		71,207,198	8,865		221,079,739	292,323,433
		(53,964,769)	6,988,399		63,527,621	117,966,238
188,166,827			16,082		605,430	188,789,281
309,810,962			159		116,989	438,676,206
136,192,318						136,192,318
<u>\$ 2,304,436,227</u>	<u>\$ 7,024,156</u>	<u>\$ 0</u>	<u>\$ 107,553,065</u>	<u>\$ 1,841,657</u>	<u>\$ 1,131,186,543</u>	<u>\$ 5,026,661,472</u>

¹MSP Receive and Expend Expenditure Credits is used to move the originating expenditures incurred by State Departments for Health Care Response back to the Michigan State Police, which was the original appropriated funding source in Public Act 53 of 2019.

Source: The OAG prepared this exhibit based on information obtained from SIGMA and SBO.

COVID-19 EXPENDITURES
State of Michigan

Chart of COVID-19 Expenditures by Response Category for All Appropriations
From March 10, 2020 Through March 31, 2021



Source: The OAG prepared this exhibit based on information obtained from SIGMA and SBO.

COVID-19 EXPENDITURES
State of Michigan

Vendors With Total Payments of \$2.5 Million or Greater
From March 10, 2020 Through March 31, 2021

Vendor Name	Amounts Paid	Types of Activities
Schools - Consolidated	\$ 612,835,894	CRF/Small Business Assistance/Child Nutrition Program Meal Reimbursements
Local Units - Consolidated	486,265,193	Financial Assistance
Conduent State & Local Solutions Inc.	364,501,164	SNAP Payments- Disaster Relief (Food Assistance)
Gothams, LLC	71,684,730	COVID Testing
Michigan State Housing Development Authority	56,415,394	Rental Assistance
SpecBid Holdings Inc.	49,131,913	PPE
Michigan Public Health Institute	46,467,272	Medical Staffing
Wayne Metropolitan Community Action Agency	37,213,677	Staffing and Monetary Assistance
Protiviti Government Services	32,656,987	UIA Staffing
Fisher Scientific Company, LLC	31,596,868	COVID Testing
Superior Business Forms Inc.	30,790,300	PPE
Honu Management Group, LLC	30,429,889	COVID Testing
Brogan & Partners Advertising Consultancy Inc.	29,945,578	Media Campaign for Outreach and Education to the Public
Food Bank Council of Michigan	27,841,466	Food Cost and Transportation
BlackPoint Distribution, LLC	25,900,400	PPE
RACM, LLC ¹	22,696,511	Cleaning Services
Michigan Primary Care Association	21,187,056	Testing Sites
Midway Dental Supply, LLC	16,911,856	PPE and Sanitizing Wipes
Clinical ²	16,043,617	MDOC Employee Payroll
The Right Place Inc.	15,795,455	Financial Assistance - Deliver/Admin Grants
Detroit Economic Growth Association	15,545,450	Small Business Grants
Spectrum Health System	15,277,242	Hospital Patient Assistance
Team 84, LLC	15,258,610	PPE
Boco Enterprises	14,734,600	Hospital Expansion - Suburban Showplace
Ann Arbor Spark	14,140,780	Financial Assistance - Deliver/Admin Grants
Islamic Center of Detroit	14,059,590	Meals and Admin Expenses
NxGen MDx, LLC	13,776,538	COVID Testing
The Mega Company	13,499,200	COVID Testing
Flint and Genesee Chamber Foundation	13,320,455	Financial Assistance - Deliver/Admin Grants
Troy Design & Manufacturing, LLC	12,800,000	PPE
Medefis Inc.	12,766,416	Medical Staffing
Southwest Michigan First	12,495,455	Financial Assistance - Deliver/Admin Grants
Medical Choice RX, LLC	12,394,000	PPE
Henry Ford Health System	12,180,045	Payment to Hospital - Health Care Capacity
RR Donnelley	11,768,482	PPE
Hype Labs, LLC	11,000,000	PPE
Michigan Municipal League Foundation	11,000,000	Financial Assistance - Deliver/Admin Grants
Detroit Economic Growth Corporation	10,150,000	Financial Assistance - Deliver/Admin Grants
State of Michigan	9,871,291	Interdepartmental Transfers
Detroit Regional Convention Facility Authority	9,377,447	TCF Center - Temporary Hospital
McKinsey & Company Inc.	9,285,000	Consulting Services
Lansing Economic Area Partnership Inc.	9,195,455	Financial Assistance - Deliver/Admin Grants
Sumec International Technology ³	8,000,000	PPE
Northwest Michigan Council of Governments	7,718,548	Financial Assistance - Deliver/Admin Grants
Invest UP	7,545,455	Financial Assistance - Deliver/Admin Grants
Meijer Inc.	7,255,764	Food
J & B Medical Supply Inc.	7,001,363	PPE
Home Depot USA Inc.	6,933,823	PPE
Bio-Reference Laboratories Inc.	5,980,600	COVID Testing
Area Agency on Aging 1-B	5,932,715	Elderly COVID Support Services
Saginaw Future Inc.	5,880,773	Grant for COVID Expenses
Staples Contract & Commercial Inc.	5,763,807	Cell Phones, Hand Sanitizer, Office Supplies, Portable Toilets, PPE, Sanitizing Cleaning Supplies, Telecommuting Supplies, and Technical Services
Lakeshore Advantage Corporation	5,725,000	Grant for COVID Expenses
Middle Michigan Development Corporation	5,673,000	Grant for COVID Expenses
State of Ohio	5,645,609	PPE Use Tax Payment
Otsego County Economic Alliance Inc.	5,625,000	Grant for COVID Expenses
Target Alpena Development Corporation	5,625,000	Grant for COVID Expenses
Dultimate, LLC ⁴	5,490,000	PPE
Bow-Boeck Enterprises, LLC	5,000,000	PPE
Sanaz LLC ⁴	4,874,542	PPE - Wire Recall due to Fraud
Magna Electronics Technologies Inc.	4,870,500	PPE
Connect6 Group Inc.	4,780,260	PPE
Gleaners Community Food Bank	4,589,717	Child Nutrition Program Meal Reimbursements
Carelinc Medical Equipment & Supply Co., LLC	4,391,334	Hospital Beds/PPE

This exhibit continued on next page.

Vendor Name	Amounts Paid	Types of Activities
Spectrum Health Hospitals	\$ 4,217,932	COVID Testing
Gen-Probe Sales & Service Inc.	3,894,653	COVID Testing
Deloitte & Touche, LLP	3,797,157	Consulting Services
Michigan Health Information Network Shared Services	3,769,326	Consulting Services
Ventec Life Systems Inc.	3,754,846	Ventilators
Childtime Childcare Inc.	3,526,940	Financial Assistance - Deliver/Admin Grants
W.W. Grainger Inc.	3,348,195	PPE
Northwest Michigan Community Health Agency	3,227,928	Financial Assistance
Fenton Development Group	3,103,698	Child Care and Admin Expenses
Small Business Association of Michigan	3,000,000	Small Business Grants
Mid Michigan Community Action Agency Inc.	2,917,743	Utility Assistance
Tutor Time Learning Centers, LLC	2,763,186	Grant for COVID Expenses
Kinder Care Learning Centers, LLC	2,760,672	Child Care Grants
Stryker Sales Corporation	2,727,054	Medical Equipment
WPCP Distributors, LLC	2,661,269	Ventilators
Edward W. Sparrow Hospital	2,655,858	COVID Testing
Corizon Health Inc.	2,654,443	COVID Testing
Michigan Masonic Home	2,654,183	COVID Testing
District Health Department #10	2,643,740	Grant for COVID Expenses
William Beaumont Hospital	2,596,453	Payment to Hospital - Health Care Capacity
Wolverine Human Services	2,503,676	Grant for COVID Expenses
Invest Detroit Foundation	2,500,000	Small Business Loans
Michigan Restaurant & Lodging Association	2,500,000	Financial Assistance
Total	\$ 2,500,689,034	

¹Includes \$5,271,392 paid in error.

²Represents MDOC employee payroll for clinical staff.

³Payments were recalled and funds returned to State of Michigan.

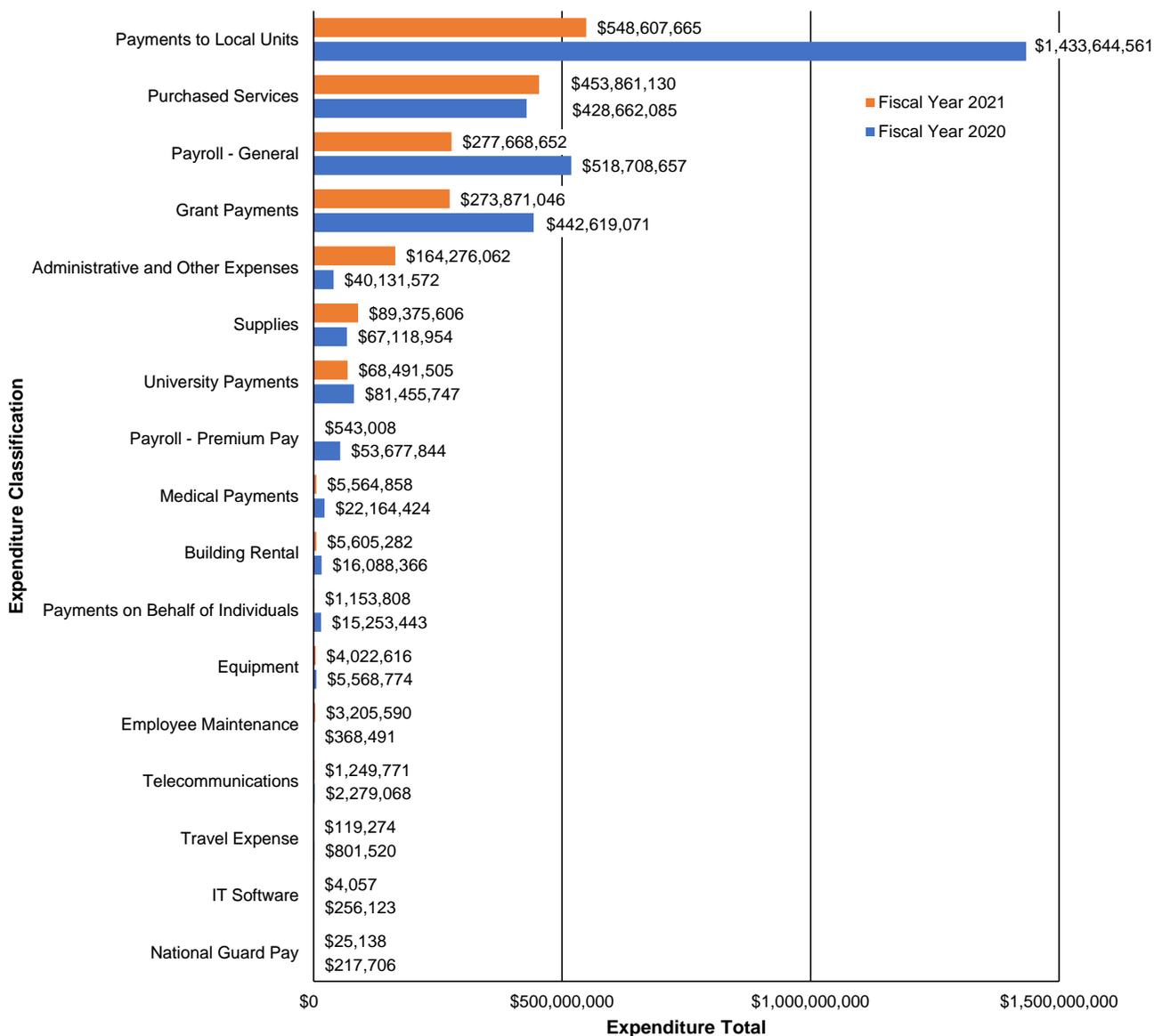
⁴Payment was recalled, not all funds recovered. See Exhibit 2.

Note: This exhibit identifies vendors who received initial payments totaling \$2.5 million or more generally based on the use of a unique vendor ID in SIGMA. Local units and schools totaling \$2.5 million or more individually were consolidated for reporting purposes. The OAG is also working to identify additional vendors who were not identified in SIGMA with a unique vendor ID code. The OAG added the type of activity as reported by the department or supporting documentation.

Source: The OAG prepared this exhibit based on information obtained from SIGMA and SBO.

COVID-19 EXPENDITURES
State of Michigan

Expenditures by Classification Category for All Appropriations
From March 10, 2020 Through March 31, 2021



Source: The OAG prepared this exhibit based on information obtained from SIGMA (general expenditure classifications based on SIGMA Object Codes) and SBO. Fiscal year 2021: October 1, 2020 Through March 31, 2021. Fiscal year 2020: March 10, 2020 Through September 30, 2020.

COVID-19 EXPENDITURES
State of Michigan

Summary of Programs With Advances to Subrecipients
From March 10, 2020 Through March 31, 2021

Program	Department	Appropriations	Total Payments ¹
Universities	DTMB	\$ 163,726,600	\$ 163,726,600
Coronavirus Relief Local Government Grants (CRLGG)	Treasury	\$ 150,000,000	\$ 150,430,682 ⁴
Small Business Restart Program	MSF	\$ 100,000,000	\$ 99,966,143
First Responder Hazard Pay Premiums Program (FRHPPP)	Treasury	\$ 40,000,000	\$ 35,958,626
Community Colleges	DTMB	\$ 36,273,400	\$ 36,273,400
Hospitality Relief Fund	Treasury	\$ 2,500,000	\$ 2,500,000
County Veteran Service Fund (CVSF)	DMVA	\$ 118,000 ³	\$ 39,682

This exhibit continued on next page.

COVID-19 EXPENDITURES
State of Michigan

Summary of Programs With Advances to Subrecipients
From March 10, 2020 Through March 31, 2021

Expenditures	Advances ²	Subrecipient Reporting Period
\$ 136,192,318	\$ 27,534,282	Quarterly
\$ 109,810,962 ⁴	\$ 40,619,720 ⁴	Quarterly
\$ 99,966,143	\$ 0	Monthly
\$ 32,278,055	\$ 3,680,571	Round
\$ 34,828,089	\$ 1,445,311	Quarterly
\$ 1,549	\$ 2,498,451	Quarterly
\$ 14,343	\$ 25,338	Quarterly

¹Includes accrued payables and funds returned to the State by subrecipients as of March 31, 2021.

²Advances represent cash transferred to subrecipients by the State that have not yet been expended.

³Funds through CVSF are provided on an emergency basis. The appropriation amount represents total emergency payments made related to COVID-19.

⁴Total payments are greater than the appropriated amount. Once the advance and accrued payable amount is reduced during fiscal year-end closing, expenditures and advances should equal total payments.

Source: The OAG prepared this exhibit based on information obtained from SIGMA and State departments.

DESCRIPTION

On March 10, 2020, Governor Gretchen Whitmer declared a state of emergency across the State of Michigan when the Michigan Department of Health and Human Services identified the first two presumptive positive cases of the COVID-19 respiratory illness. The Legislature enacted Public Acts 66 (reduced to \$0 in part 1 appropriations of Public Act 144 of 2020), 67, 123, 144, 146, 150, 166, and 257 of 2020 and Public Acts 2 and 3 of 2021, appropriating supplemental funding for COVID-19. Also, Section 704 (3), Public Act 53 of 2019 allows the Michigan Department of State Police to receive and expend money from local, State, federal, or private sources for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity.

Federal acts related to the COVID-19 emergency and recovery through March 31, 2021:

- Coronavirus Preparedness and Response Supplemental Appropriations Act 2020, effective March 6, 2020.
- Families First Coronavirus Response Act (FFCRA), effective March 18, 2020.
- Coronavirus Aid, Relief, and Economic Security Act, or the CARES Act, effective March 27, 2020.
 - Michigan was allocated a total of \$3.9 billion from the Coronavirus Relief Fund, \$800 million of which went directly to the local governmental units of the City of Detroit and Wayne, Macomb, Kent, and Oakland counties.
- Paycheck Protection Program and Health Care Enhancement Act, effective April 24, 2020.
- Coronavirus Response and Relief Supplemental Appropriations Act, effective December 27, 2020.
- American Rescue Plan Act of 2021, effective March 11, 2021.

AUDIT SCOPE, METHODOLOGY, AND OTHER INFORMATION

AUDIT SCOPE

To determine if the expenditures charged to the COVID-19 appropriations were appropriate and to report those expenditures. Our audit was limited to expenditures reported by March 31, 2021. We conducted this performance audit* in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Because of the ongoing nature of the audit, not all reported and sampled expenditures were audited by the end of our fieldwork. We determined that 1,186 sample expenditures were appropriate and serve as the basis for our conclusion to the first audit objective. In addition, there are 3 sample items we are unable to assess at this time and 21 sample items still under review (see Exhibits 1 and 2). Expenditures not subject to our review for this report will be considered for our next audit of the COVID-19 expenditures, unless otherwise noted.

As part of the audit, we considered the five components of internal control (control environment, risk assessment, control activities, information and communication, and monitoring activities) relative to the audit objectives and determined that all components were significant.

PERIOD

Our audit procedures, which included audit planning, audit fieldwork, report preparation, and quality assurance, generally covered March 10, 2020 through March 31, 2021.

METHODOLOGY

Pursuant to Public Act 67 of 2020, our audit objectives reflect the monthly reporting requirements to audit the appropriateness and report the Statewide COVID-19 expenditures. Our preliminary survey is ongoing as we continue to gain an understanding of the Statewide policies, procedures, and processes put into place as a result of COVID-19. Based on our ongoing audit fieldwork, our audit objectives, scope, and methodology may change.

During this audit, we:

- Visited the COVID-19 Response Warehouse to gain an understanding of the receiving process and volume of COVID-19 goods.

* See glossary at end of report for definition.

- Visited the State of Michigan Record Center to examine approximately 25,000 mobile WIFI hotspots awaiting distribution.
- Visited Michigan State University and the NexCare WellBridge Senior Living headquarters to confirm the purchase and storage of approximately 112,000 COVID-19 test kits.
- Reviewed SBO guidance to State agencies on COVID-19 expenditures.
- Communicated with department staff to gain an understanding of the controls established over expenditures and reporting.
- Reviewed federal legislation impacting State funding for COVID-19 expenditures.
- Reviewed SBO reports to gain an understanding of expenditures reported by State departments.
- Reviewed and reconciled the federal budget authorizations uploaded in SIGMA and reported to the Legislature through July 7, 2020.
- Reviewed the State's Coronavirus Relief Fund Financial Report submitted to the U.S. Department of Treasury for the period ended March 31, 2021.

OBJECTIVE 1

To determine the appropriateness of State agencies' COVID-19 expenditures through March 31, 2021.

To accomplish this objective, we:

- Communicated with State departments to obtain an understanding of their reported expenditures, related purchasing processes, payment mechanisms, and monitoring activities.
- Reviewed source documentation supporting selected expenditures. Our samples were judgmentally and randomly selected. Therefore, we could not project the results to the overall populations.

OBJECTIVE 2

To report State agencies' COVID-19 expenditures.

To accomplish this objective, we:

- Validated the account coding used by State agencies for COVID-19 expenditures.
- Extracted the COVID-19 expenditures charged to the appropriations from SIGMA.

CONCLUSIONS

We base our conclusions on our audit efforts and any resulting material conditions*, reportable conditions*, or observations*.

AGENCY RESPONSES

Not applicable.

PRIOR AUDIT FOLLOW-UP

Following is the status of the reported findings from our January 2021 performance audit of the COVID-19 Expenditures, State of Michigan (000-2000-20C):

Prior Audit Finding Number	Topic Area	Current Status	Current Finding Number
2	Controls over payments to vendors.	Not complied*	Not applicable

*DTMB's corrective action was in process at issuance of this report.

SUPPLEMENTAL INFORMATION

Our audit report includes supplemental information presented as Exhibits 1 through 11. Our audit was not directed toward expressing a conclusion on this information.

Information (such as amounts appropriated, funding allocations, total expenditures, or expenditures subject to review) may change between reports. In most instances, this is a result of agency coding changes, expenditure transfers, additional testing performed, or errors identified during our review. Exhibits are adjusted as we become aware of these changes and perform further audit procedures.

* See glossary at end of report for definition.

GLOSSARY OF ABBREVIATIONS AND TERMS

DMVA	Michigan Department of Military and Veterans Affairs.
DTMB	Department of Technology, Management, and Budget.
FEMA	Federal Emergency Management Agency.
internal control	The plan, policies, methods, and procedures adopted by management to meet its mission, goals, and objectives. Internal control includes the processes for planning, organizing, directing, and controlling program operations. It also includes the systems for measuring, reporting, and monitoring program performance. Internal control serves as a defense in safeguarding assets and in preventing and detecting errors; fraud; violations of laws, regulations, and provisions of contracts and grant agreements; or abuse.
material condition	A matter that, in the auditor's judgment, is more severe than a reportable condition and could impair the ability of management to operate a program in an effective and efficient manner and/or could adversely affect the judgment of an interested person concerning the effectiveness and efficiency of the program. Our assessment of materiality is in relation to the respective audit objective.
novel coronavirus (COVID-19)	The infectious disease caused by the most recently discovered coronavirus. This new virus and disease were unknown before the outbreak began in Wuhan, China, in December 2019. COVID-19 is now a pandemic affecting many countries globally.
observation	A commentary that highlights certain details or events that may be of interest to users of the report. An observation may not include all of the attributes (condition, effect, criteria, cause, and recommendation) that are presented in an audit finding.
performance audit	An audit that provides findings or conclusions based on an evaluation of sufficient, appropriate evidence against criteria. Performance audits provide objective analysis to assist management and those charged with governance and oversight in using the information to improve program performance and operations, reduce costs, facilitate decision-making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability.

personal protective equipment (PPE)	Equipment worn to minimize exposure to hazards that cause serious workplace injuries or illnesses. Types of PPE can include masks/respirators, face shields, goggles, gowns/aprons, and gloves.
reportable condition	A matter that, in the auditor's judgment, is less severe than a material condition and falls within any of the following categories: a deficiency in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; opportunities to improve programs and operations; or fraud.
SBO	State Budget Office.
Statewide Integrated Governmental Management Applications (SIGMA)	The State's enterprise resource planning business process and software implementation that support budgeting, accounting, purchasing, human resource management, and other financial management activities.



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