Cash Management Improvement Act Agreement
between
The State of Michigan
and
The Secretary of the Treasury,
United States Department of the Treasury

The Secretary of the Treasury, United States Department of the Treasury (hereafter 'Secretary'), and State of Michigan (hereafter 'State'), in order to implement Section 5 of the Cash Management Improvement Act of 1990, as amended (hereafter 'Act'), agree as follows:

1.0 AGENTS OF THE AGREEMENT

1.1 The Authorized Official(s) for the State of Michigan shall be the Director for the Bureau of State and Authority Finance in all matters concerning this Agreement.

1.2 The Assistant Commissioner, Revenue Collections Management, Bureau of the Fiscal Service (Fiscal Service), U.S. Department of the Treasury, shall act as the Secretary's representative in all matters concerning this Agreement.

2.0 AUTHORITY

2.1 The authority for this Agreement is the Cash Management Improvement Act of 1990 (Public Law 101-453), as amended by the Cash Management Improvement Act of 1992 (Public Law 102-589), codified at 31 U.S.C. 6501 and 31 U.S.C. 6503.

2.2 The regulations codified at 31 CFR Part 205 shall apply to all matters pertaining to this Agreement, and are incorporated herein by reference. In the event of any inconsistency between this Agreement and 31 CFR Part 205, the regulations shall govern.

3.0 DURATION, AMENDING, TERMINATING, AND MISCELLANEOUS PROVISIONS

3.1 This Agreement shall take effect on 10/01/2015 and shall remain in effect until 09/30/2016.

3.2 This Agreement may be amended at any time by written, mutual consent of the State and the Fiscal Service. This Agreement shall be amended annually to incorporate new programs that qualify as major Federal assistance programs and remove programs that no longer qualify as major Federal assistance programs. A State must notify the Fiscal Service in writing within 30 days of the time the State becomes aware of a change that involves additions or deletions of programs subject to Subpart A, changes in funding techniques, and/or changes in clearance patterns. The notification must include a proposed amendment for review by the Fiscal Service.

3.3 Notwithstanding section 3.2, in the event of Federal or State non-compliance with Subpart B of 31 CFR, Part 205, the Fiscal Service may amend this Agreement at any time to incorporate additional programs and the entities that administer those programs.

3.4 This Agreement may be terminated by either party with 30 days' written notice. If this Agreement is terminated, the Fiscal Service will prescribe the funding techniques, clearance patterns, and methods for calculating interest liabilities to be used by the State.

4.0 PROGRAMS COVERED

4.1 The State's threshold and its major Federal assistance programs shall be determined based on the State's most recent Single Audit or the most recent Schedule of Expenditures of Federal Awards (SEFA) for fiscal year ending 09/30/2014.

All major Federal assistance programs shall be covered by this Agreement, unless otherwise specified in section 4.4 of this Agreement.

4.2 The State's threshold for major Federal assistance programs is $51,500,000.

The following programs meet or exceed the threshold and are not excluded in Section 4.4:

10.551 Supplemental Nutrition Assistance Program
10.553 School Breakfast Program
10.555 National School Lunch Program
10.557 Special Supplemental Nutrition Program for Women, Infants, and Children
10.558 Child and Adult Care Food Program
10.561 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
12.401 National Guard Military Operations and Maintenance (O&M) Projects
14.182 Lower Income Housing Assistance Program -- Section 8 New Construction/Substantial Rehabilitation
14.871 Section 8 Housing Choice Vouchers
17.225F Unemployment Insurance -- Federal Benefit Account and Administrative Costs
17.225S Unemployment Insurance -- State Benefit Account
20.106 Airport Improvement Program
20.205 Highway Planning and Construction
20.319 High-Speed Rail Corridors and Intercity Passenger Rail Service Capital Assistance Grants
84.010 Title I Grants to Local Educational Agencies
84.027 Special Education -- Grants to States
84.126 Rehabilitation Services -- Vocational Rehabilitation Grants to States
84.367 Improving Teacher Quality State Grants
93.558 Temporary Assistance for Needy Families
93.563 Child Support Enforcement
93.568 Low-Income Home Energy Assistance
93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.658 Foster Care -- Title IV-E
93.659 Adoption Assistance
93.667 Social Services Block Grant
93.767 Children's Health Insurance Program
93.778 Medical Assistance Program
93.959 Block Grants for Prevention and Treatment of Substance Abuse
96.001 Social Security -- Disability Insurance

4.3 The following programs fall below the State's threshold but have been required to be covered by Fiscal Service in accordance with the non-compliance provisions of Subpart B of 31 CFR Part 205:

There are currently no programs listed for Section 4.3.

4.4 The following programs exceed the State's threshold but have been excluded from coverage for the reason indicated:

84.032 Federal Family Education Loans --- Exclusion:Non-State
93.268 Immunization Grants --- Exclusion:Non-Cash

5.0 ENTITIES COVERED

5.1 State agencies and instrumentalities that meet the definition of a State per 31 CFR Part 205, shall be subject to the terms of this Agreement. The following is a list of such entities that administer funds under the programs listed in Section 4.0 of this Agreement:

Department of Education
Department of Health and Human Services - Community Health
Department of Health and Human Services - Human Services
Department of Licensing and Regulatory Affairs
Department of Military and Veterans Affairs
Department of Talent and Economic Development
Department of Transportation
Michigan State Housing Development Authority

5.2 Entities that meet the definition of a Fiscal Agent per 31 CFR Part 205 shall be subject to the terms of this Agreement. The following is a list of Fiscal Agents that administer funds under the programs listed in the Section 4.0 of this Agreement:

Xerox Corporation 10.551 Supplemental Nutrition Assistance Program

6.0 FUNDING TECHNIQUES

6.1 General Terms

6.1.1 The State shall request Federal funds in accordance with the appropriate cut-off times shown in Exhibit I to ensure funds will be received and credited to a State account by the times specified in the funding techniques. Exhibit I is incorporated by reference herein.

6.1.2 The State shall schedule the receipt of Federal funds such that the funds are received and credited to a State account in accordance with the clearance patterns specified in Exhibit II - List of State Clearance Patterns. Exhibit II is incorporated by reference herein.

6.1.3 In instances where the receipt of funds is scheduled for a Saturday, the State shall request funds for deposit on Friday. In instances where the receipt of funds is scheduled for a Sunday, the State shall request funds for deposit on Monday. In instances where the receipt of Federal funds is scheduled for deposit on a day when the State is not open for business, the State shall request funds for deposit the day following the scheduled day; in instances where the receipt of Federal funds is scheduled for deposit on a day when the Federal Government is not open for business, the State shall request funds for deposit the day prior to the scheduled day.

6.1.4 Estimates and Reconciliation of Estimates:
Where estimated expenditures are used to determine the amount of the drawdown, the State will indicate in the terms of the State unique funding technique how the estimated amount is determined and when and how the State will reconcile the difference between the estimate and the State's actual expenditures.

6.1.5 Supplemental Funding:
Unless otherwise defined by program rules, Supplemental Funding is the award of additional funds to provide for an increase in costs due to unforeseen circumstances.

The State will comply with all Federal program agency policies and procedures for requesting supplemental grant funding.

The State will comply with the following guidelines when requesting supplemental funding for the Medical Assistance Program and associated administrative payments (CFDA 93.778):

The State must submit a revised Medicaid Program Budget Report (CMS-37) to request supplemental funding. The CMS guidelines and instructions for completing the CMS-37 are provided in Section 2600F of the State Medicaid Manual (SMM). The CMS/CO must receive the revised Form CMS-37 through the Medicaid Budget Expenditure System/Children's Budget Expenditure System (MBES/CBES) no later than 10 calendar days before the end of the quarter for which the supplemental grant award is being requested.

Additional guidance on this policy is available from the respective CMS Regional Office, U.S. Department of Health & Human Services.

The State will comply with the following guidelines when requesting supplemental funding for TANF (CFDA 93.558), CCDF (CFDA 93.575), CSE (93.563), and the FC/AA (CFDA 93.658 and CFDA 93.659) programs administered by the U.S. Department of Human Services, Administration for Children and Families (HHS/ACF):

a. Timing of the Request
A State should initiate its request for supplemental funding during a quarter as soon as it becomes aware of the fact that a shortfall does/will exist. For the TANF and CCDF grants, supplemental funding requests (estimates) may be submitted by a State, for consideration by ACF, up through and including the 15th day of the third month of the first, second or third quarter of any fiscal year. Since TANF and CCDF are block grant programs, all unawarded portions of the annual allotment will automatically be issued at the beginning of the fourth quarter. Therefore, supplemental funding requests will not be available during the fourth quarter for these programs. For the CSE and FC/AA programs, supplemental funding requests may be submitted by a state, for consideration by ACF, up through and including the 15th day of the third month of any quarter of a fiscal year.

b. Justification for the Request
The request for a supplemental funding for any of the above mentioned programs should contain a justification clearly documenting the need for the additional funding authority during the current quarter. This documentation should be in the form of State accounting records or similar documents that will show the actual expenditures through the most recent month for which such data are available, as well as the State's most accurate projection of its anticipated expenditures during the remaining month(s) of the quarter. For either the TANF or the CCDF program, the State's justification should also include an explanation of the activities requiring the obligation and/or expenditure of amounts that exceed the normal quarterly grant award restrictions and why these activities could not have been delayed until the next quarter.

c. Form Submittal
Supplemental funding requests should be made by completing the appropriate ACF quarterly report of expenditures and estimates applicable to the particular program for which the grant award request is being made.

d. Approval Process

Upon receipt of the state's request for additional funding authority for a quarter, the ACF Regional Office will promptly review the supporting documentation. If the request is properly justified, so long as ACF has adequate funding availability, the State's request will be expedited and supplemental funding will be issued within 5 days of ACF receiving the request. The State will be notified by the Regional Office when the supplemental award has been transmitted to the Payment Management System (PMS) and when it may initiate drawdowns against the supplemental funding.

Additional guidance on this policy is provided in the U.S. Department of Health & Human Services, Administration for Children and Families, letter (May 19, 2004) to State Administrators from the Deputy Assistant Secretary for Administration.

6.1.6 This section modifies Section 6.1.3.

In instances where the receipt of funds is scheduled for a Saturday, the State shall request funds for deposit on Friday. In instances where the receipt of funds is scheduled for a Sunday, the State shall request funds for deposit on Monday. The State does pay warrants on days when the State is not open for business and the Federal Government is open. Therefore, the receipt of funds shall be scheduled on State holidays that do not coincide with Federal holidays. In instances where the receipt of Federal funds is scheduled for deposit on a day when the Federal Government is not open for business, the State shall request funds for deposit the day prior to the scheduled day.

6.2 Description of Funding Techniques

6.2.1 The following are terms under which standard funding techniques shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

Actual Clearance, ZBA - ACH

The State shall request funds such that they are deposited by ACH in a State account on the settlement date of payments issued by the State. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be for the amount of funds that clear the State's account on the settlement date. This funding technique is interest neutral.

Actual Clearance, ZBA - Same Day Payment

The State shall request funds the same day it pays out funds, in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. A Federal agency will deposit funds in a State account the same day as requested. The amount of the request shall be for the amount of funds that clear the State's account that day. This funding technique is interest neutral.

Average Clearance

The State shall request funds such that they are deposited by ACH on the dollar-weighted average day of clearance for the disbursement, in accordance with the clearance pattern specified in Exhibit II. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be for the exact amount of that disbursement. This funding technique is interest neutral.

Composite Clearance

The State shall request funds such that they are deposited on the dollar-weighted average number of days required for funds to be paid out for a series of disbursements, in accordance with the clearance pattern specified in Exhibit II. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of

the request shall be the sum of the payments issued in the series of disbursements. This funding technique is interest neutral.

Payment Schedule - Monthly

The State shall request funds such that they are deposited in a State account on the median business day of the month. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be a prorated share of the lesser of (1) the annual grant divided by 12, or (2) the total amount of Federal funds expected to be paid out for program purposes during the year divided by 12. This funding technique is interest neutral.

6.2.2 The following are terms under which funding techniques for administrative costs shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

Direct Administrative Costs - Drawdowns on a Payroll Cycle

The State shall request funds for all direct administrative costs such that they are deposited on the dollar-weighted average date of clearance of payroll. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of funds requested shall be based on the amount of liabilities recorded for direct administrative costs since the last request for funds. This funding technique is interest neutral.

Fixed Administrative Allowances - Bi-Weekly Payroll

The State shall request funds such that one-sixth (or one-seventh) of the quarterly administrative allowance is deposited on the dollar-weighted average date of clearance for payroll payments, as specified in the appropriate clearance pattern in Exhibit II. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. This funding technique is interest neutral.

6.2.3 The following are terms under which miscellaneous funding techniques shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

There are no funding techniques listed in Section 6.2.3

6.2.4 The following are terms under which State unique funding techniques shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

Actual Costs - Bi-Weekly Request

The State shall request funds at bi-weekly intervals, such that funds are deposited on the day of clearance for payroll payments. The request shall be made in accordance with the appropriate Federal agency cut-off time as specified in Exhibit I. The amount of the request for each bi-weekly period shall be derived from actual costs of the prior two week period including any material one-time payments. The State shall request administrative costs at the end of each quarter in conjunction with the quarterly Federal reports. This funding technique is interest neutral.

Actual Costs - Estimated Allocation - Bi-Weekly

The State shall request funds at bi-weekly intervals, such that funds are deposited on the dollar-weighted average day of clearance for payroll payments, as specified in Exhibit II. The request shall be made in accordance with the appropriate Federal agency cut-off time as specified in Exhibit I. The amount of the request for each bi-weekly period shall be an estimated allocation derived from actual costs of the prior quarter, excluding any material one-time payments. The State shall adjust the estimated drawdown to the actual costs at the end of the quarter in conjunction with the quarterly Federal

reports. This funding technique is interest neutral.

Actual Costs - Estimated Allocation - Daily

The State shall request funds on a daily basis based on the average amount of clearance for UI payments. The state shall adjust the estimated drawdowns to the actual disbursements on a monthly basis. This funding technique is interest neutral.

Average Clearance Subject to a $100,000 Threshold

The State may request funds when cumulative expenditures exceed $100,000 such that they are deposited by ACH on the dollar-weighted average day of clearance for the disbursement, in accordance with the clearance pattern specified in Exhibit II. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be for the exact amount of that disbursement. This funding technique is interest neutral.

HUD Payment Schedule

HUD (Housing and Urban Development) pays a calculated amount on the 1st business day of each month. The budget is approved at the beginning of each calendar year. The amount of the monthly allocation is documented in the annual budget approved by HUD. This funding technique is interest neutral.

Modified Direct Administrative Costs - Weekly

The State shall request funds weekly for administrative costs such that they are requested on Wednesday for receipt on Thursday. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of funds requested shall be based on the amount of expenditures recorded for administrative costs since the last request for funds. This funding technique is interest neutral.

Modified Grants for Administrative Costs

The State shall request a prorated share of its annual award to be deposited on the average date of clearance for payroll during each pay period, as specified in the appropriate Clearance pattern in Exhibit II. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The prorate shall be determined by dividing the annual award by the number of paydays in the year. This funding technique is interest neutral.

Modified Payment Schedule - Weekly

The State shall request funds no later than the second business day of the week for receipt no later than the third business day of the week. The amount of the request shall be based on the amount of the actual funds expended in the prior week. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The U.S. Treasury and the State shall agree that use of this methodology shall be interest neutral for both parties. This funding technique is interest neutral.

Modified Payment Schedule - Bi-Weekly

The State shall request funds such that they are deposited in a State account on the dollar-weighted average date of clearance for payroll payments, as specified in the appropriate clearance pattern in Exhibit II. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be a prorated share of the total amount of Federal funds expected to be paid out for program purposes during the year divided by 26. The State shall adjust the estimated drawdown to actual costs at the end of each quarter in conjunction with the quarterly Federal reports. This funding technique is interest neutral.

Monthly Reimbursement Request

The State shall request funds such that they are deposited in a State account during the week after the month closes in the States accounting system. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request is determined based on the federal participation percentage in the individual contract. This funding technique is interest neutral.

Prior Month's Actual

The State shall request funds such that they are deposited in a State account in accordance with the clearance pattern in Exhibit II. The request shall be made in accordance with the appropriate Federal agency cut-off time specified In Exhibit I. The amount of the request shall be for the amount of expenditures incurred in the prior month. A departmental report will be run as soon as possible subsequent to the close of each month to determine these costs and a request for funds will occur as soon as possible thereafter. This funding technique is not interest neutral.

6.3 Application of Funding Techniques to Programs

6.3.1 The State shall apply the following funding techniques when requesting Federal funds for the component cash flows of the programs listed in sections 4.2 and 4.3 of this Agreement.

6.3.2 Programs

Below are programs listed in Section 4.2 and Section 4.3.

10.551 Supplemental Nutrition Assistance Program
Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 100.00
Component: Benefits - EBT
Technique: Actual Clearance, ZBA - Same Day Payment
Average Day of Clearance: 0 Days

10.553 School Breakfast Program
Recipient: Department of Education
% of Funds Agency Receives: 100.00
Component: Benefits
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

10.555 National School Lunch Program
Recipient: Department of Education
% of Funds Agency Receives: 100.00
Component: Benefits
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

10.557 Special Supplemental Nutrition Program for Women, Infants, and Children
Recipient: Department of Health and Human Services - Community Health

% of Funds Agency Receives: 75.00
Component: Benefits - EBT
Technique: Actual Clearance, ZBA - Same Day Payment
Average Day of Clearance: 0 Days

Recipient: Department of Health and Human Services - Community Health
% of Funds Agency Receives: 23.00
Component: Administrative
Technique: Direct Administrative Costs - Drawdowns on a Payroll Cycle
Average Day of Clearance: N/A

Recipient: Department of Health and Human Services - Community Health
% of Funds Agency Receives: 2.00
Component: Payroll
Technique: Direct Administrative Costs - Drawdowns on a Payroll Cycle
Average Day of Clearance: N/A

10.558 Child and Adult Care Food Program
Recipient: Department of Education
% of Funds Agency Receives: 100.00
Component: Benefits
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

10.561 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 70.00
Component: Food Stamp Administration including Employment and Training
Technique: Fixed Administrative Allowances - Bi-Weekly Payroll
Average Day of Clearance: 0 Days

Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 30.00
Component: Nutrition Ed/Farmers Market/SAE
Technique: Modified Direct Administrative Costs - Weekly
Average Day of Clearance: N/A

12.401 National Guard Military Operations and Maintenance (O&M) Projects
Recipient: Department of Military and Veterans Affairs
% of Funds Agency Receives: 57.00
Component: CSSM (Non-Payroll)
Technique: Prior Month's Actual
Average Day of Clearance: N/A

Recipient: Department of Military and Veterans Affairs
% of Funds Agency Receives: 43.00

Component: Payroll
Technique: Prior Month's Actual
Average Day of Clearance: N/A

14.182 Lower Income Housing Assistance Program -- Section 8 New Construction/Substantial Rehabilitation
Recipient: Michigan State Housing Development Authority
% of Funds Agency Receives: 5.00
Component: Administration
Technique: HUD Payment Schedule
Average Day of Clearance: N/A

Recipient: Michigan State Housing Development Authority
% of Funds Agency Receives: 95.00
Component: Tenant Housing Assistant Payments
Technique: HUD Payment Schedule
Average Day of Clearance: N/A

14.871 Section 8 Housing Choice Vouchers
Recipient: Michigan State Housing Development Authority
% of Funds Agency Receives: 10.00
Component: Administration
Technique: HUD Payment Schedule
Average Day of Clearance: N/A

Recipient: Michigan State Housing Development Authority
% of Funds Agency Receives: 90.00
Component: Tenant Housing Assistant Payments
Technique: HUD Payment Schedule
Average Day of Clearance: N/A

17.225F Unemployment Insurance -- Federal Benefit Account and Administrative Costs
Recipient: Department of Talent and Economic Development
% of Funds Agency Receives: 54.00
Component: Benefits (ACH) - Federal EUCA, TRA and EB
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: N/A

Recipient: Department of Talent and Economic Development
% of Funds Agency Receives: 1.00
Component: Benefits (Manual Checks) - Federal EUCA, TRA and EB
Technique: Actual Costs - Estimated Allocation - Daily
Average Day of Clearance: N/A

Recipient: Department of Talent and Economic Development
% of Funds Agency Receives: 45.00
Component: Administrative and Payroll

Technique: Direct Administrative Costs - Drawdowns on a Payroll Cycle
Average Day of Clearance: 0 Days

17.225S Unemployment Insurance -- State Benefit Account
Recipient: Department of Talent and Economic Development
% of Funds Agency Receives: 99.00
Component: Benefits (ACH) - State UTF
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: N/A

Recipient: Department of Talent and Economic Development
% of Funds Agency Receives: 1.00
Component: Benefits (Manual Checks) - State UTF
Technique: Actual Costs - Estimated Allocation - Daily
Average Day of Clearance: N/A

20.106 Airport Improvement Program
Recipient: Department of Transportation
% of Funds Agency Receives: 1.00
Component: Payroll
Technique: Average Clearance
Average Day of Clearance: 0 Days

Recipient: Department of Transportation
% of Funds Agency Receives: 99.00
Component: Vendor Payments
Technique: Average Clearance
Average Day of Clearance: 0 Days

20.205 Highway Planning and Construction
Recipient: Department of Transportation
% of Funds Agency Receives: 6.00
Component: Payroll
Technique: Average Clearance
Average Day of Clearance: 0 Days

Recipient: Department of Transportation
% of Funds Agency Receives: 94.00
Component: Vendor Payments
Technique: Average Clearance
Average Day of Clearance: 0 Days

20.319 High-Speed Rail Corridors and Intercity Passenger Rail Service Capital Assistance Grants
Recipient: Department of Transportation
% of Funds Agency Receives: 100.00

Component: Vendor and Contractor Payments
Technique: Monthly Reimbursement Request
Average Day of Clearance: N/A

84.010 Title I Grants to Local Educational Agencies
Recipient: Department of Education
% of Funds Agency Receives: 2.00
Component: Payroll and Admin
Technique: Modified Direct Administrative Costs - Weekly
Average Day of Clearance: 0 Days

Recipient: Department of Education
% of Funds Agency Receives: 98.00
Component: Benefits
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

84.027 Special Education -- Grants to States
Recipient: Department of Education
% of Funds Agency Receives: 11.00
Component: Payroll and Admin
Technique: Modified Direct Administrative Costs - Weekly
Average Day of Clearance: 0 Days

Recipient: Department of Education
% of Funds Agency Receives: 89.00
Component: Benefits
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

84.126 Rehabilitation Services -- Vocational Rehabilitation Grants to States
Recipient: Department of Licensing and Regulatory Affairs
% of Funds Agency Receives: 15.00
Component: Payroll, Benefits, Travel, CSS&M and Client Services
Technique: Actual Costs - Bi-Weekly Request
Average Day of Clearance: N/A

Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 85.00
Component: Payroll, Benefits, Travel, CSS&M and Client Services
Technique: Modified Payment Schedule - Bi-Weekly
Average Day of Clearance: N/A

84.367 Improving Teacher Quality State Grants
Recipient: Department of Education

% of Funds Agency Receives: 2.00
Component: Payroll and Admin
Technique: Modified Direct Administrative Costs - Weekly
Average Day of Clearance: 0 Days

Recipient: Department of Education
% of Funds Agency Receives: 98.00
Component: Benefits
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

93.558 Temporary Assistance for Needy Families
Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 40.00
Component: Client Benefits - EBT
Technique: Actual Clearance, ZBA - Same Day Payment
Average Day of Clearance: 0 Days

Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 1.00
Component: Benefits on Behalf of Clients - Non-EBT
Technique: Average Clearance
Average Day of Clearance: 3 Days

Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 6.00
Component: Adoption
Technique: Composite Clearance
Average Day of Clearance: 2 Days

Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 19.00
Component: Client Benefits - Energy
Technique: Composite Clearance
Average Day of Clearance: 3 Days

Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 34.00
Component: Other Expenditures including Administration and Payroll
Technique: Modified Payment Schedule - Bi-Weekly
Average Day of Clearance: 0 Days

93.563 Child Support Enforcement
Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 100.00
Component: Administrative including Payroll

Technique: Fixed Administrative Allowances - Bi-Weekly Payroll
Average Day of Clearance: 0 Days

93.568 Low-Income Home Energy Assistance
Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 86.00
Component: Benefits
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 4.00
Component: LIHEAP Weatherization, Deliverable Fuels, and DTE Energy Payment
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 10.00
Component: Administrative including Payroll
Technique: Modified Payment Schedule - Bi-Weekly
Average Day of Clearance: 0 Days

93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund
Recipient: Department of Education
% of Funds Agency Receives: 95.00
Component: Benefits
Technique: Composite Clearance
Average Day of Clearance: 2 Days

Recipient: Department of Education
% of Funds Agency Receives: 5.00
Component: Other expenditures including administration and payroll
Technique: Modified Direct Administrative Costs - Weekly
Average Day of Clearance: 0 Days

93.658 Foster Care -- Title IV-E
Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 50.00
Component: Benefits
Technique: Composite Clearance
Average Day of Clearance: 1 Day

Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 50.00
Component: Administrative including Payroll
Technique: Fixed Administrative Allowances - Bi-Weekly Payroll

Average Day of Clearance: 0 Days

93.659 Adoption Assistance
Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 93.00
Component: Direct Client Benefits
Technique: Composite Clearance
Average Day of Clearance: 2 Days

Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 7.00
Component: Administrative including Payroll
Technique: Fixed Administrative Allowances - Bi-Weekly Payroll
Average Day of Clearance: 0 Days

93.667 Social Services Block Grant
Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 100.00
Component: Adminstration including Payroll
Technique: Modified Grants for Administrative Costs
Average Day of Clearance: 0 Days

93.767 Children's Health Insurance Program
Recipient: Department of Health and Human Services - Community Health
% of Funds Agency Receives: 1.00
Component: Other Non-MMIS Payments
Technique: Actual Clearance, ZBA - Same Day Payment
Average Day of Clearance: 0 Days

Recipient: Department of Health and Human Services - Community Health
% of Funds Agency Receives: 3.00
Component: Miscellaneous Benefits
Technique: Actual Costs - Estimated Allocation - Bi-Weekly
Average Day of Clearance: 1 Day

Recipient: Department of Health and Human Services - Community Health
% of Funds Agency Receives: 96.00
Component: Benefits
Technique: Average Clearance
Average Day of Clearance: 0 Days

93.778 Medical Assistance Program
Recipient: Department of Health and Human Services - Community Health
% of Funds Agency Receives: 1.00
Component: Other Non-CHAMPS Large Benefit Payments

Technique: Actual Clearance, ZBA - Same Day Payment
Average Day of Clearance: 0 Days

Recipient: Department of Health and Human Services - Community Health
% of Funds Agency Receives: 1.00
Component: Miscellaneous Benefits
Technique: Actual Costs - Estimated Allocation - Bi-Weekly
Average Day of Clearance: 1 Day

Recipient: Department of Health and Human Services - Community Health
% of Funds Agency Receives: 95.00
Component: Benefits CHAMPS Payment
Technique: Average Clearance
Average Day of Clearance: 0 Days

Recipient: Department of Health and Human Services - Community Health
% of Funds Agency Receives: 3.00
Component: Administrative including Payroll
Technique: Fixed Administrative Allowances - Bi-Weekly Payroll
Average Day of Clearance: 0 Days

93.959 Block Grants for Prevention and Treatment of Substance Abuse
Recipient: Department of Health and Human Services - Community Health
% of Funds Agency Receives: 1.00
Component: Administrative and Payroll
Technique: Payment Schedule - Monthly
Average Day of Clearance: 0 Days

Recipient: Department of Health and Human Services - Community Health
% of Funds Agency Receives: 99.00
Component: Benefits
Technique: Payment Schedule - Monthly
Average Day of Clearance: 1 Day

96.001 Social Security -- Disability Insurance
Recipient: Department of Health and Human Services - Human Services
% of Funds Agency Receives: 100.00
Component: Contract Vendor Payments including Administrative and Payroll
Technique: Average Clearance Subject to a $100,000 Threshold
Average Day of Clearance: 1 Day

6.3.3 Materiality Exemptions

Agencies exempt from coverage on the basis of materiality:

None.

7.0 CLEARANCE PATTERNS

7.1 The State shall develop separate clearance patterns for each of the following:

Payroll. The State may develop a separate clearance pattern for an individual program, or develop a composite clearance pattern for a logical group of programs, or develop a clearance pattern on another basis acceptable to the Bureau of the Fiscal Service.

7.1.1 The clearance for payroll is 0 days.

7.2 The following shall develop the State's clearance patterns:

State Treasury

7.3 The sources of data the State shall use when developing its clearance patterns are as follows:

State Treasurer Disbursements (hereafter, warrants and EFTs)as recorded in the MAIN accounting system.

7.4 The State shall use the following methodology when developing its clearance patterns:

When developing each clearance pattern, the State shall track at least 99% of the funds disbursed, from issuance to clearance, for a period of at least three months.

7.4.1 This section modifies Section 7.4.
When developing each clearance pattern, the State shall track 100% of the funds disbursed both by paper warrant or Electronic Funds Transfer, from issuance to clearance, for a period of at least three(3) months.

7.5 The State shall identify for each check or warrant (hereafter, check) in the population: (1) the date the check was released for payment; (2) the date the check was debited from the State's account, and, (3) the amount of the check.

7.5.1 This section modifies Section 7.5.
The State shall identify for each disbursement, paper warrant or Electronic Funds Transfer (hereafter, disbursement) in the population: (1)the date the disbursement was issued; (2)the date the disbursement was debited from the State's account, and, (3)the amount of the disbursement.

7.6 The State shall use the following method to calculate the dollar-weighted average day of clearance:

To determine the number of days each check was outstanding (clearance time), the issue date shall be subtracted from the date the check cleared the State's account.

To determine the percentage of the disbursement paid out each day following issuance, the amount of the checks that clear the State's account each day shall be summed and then divided by the amount of the total disbursement.

For each day following issuance, the clearance time of the checks paid out that day shall be multiplied by the percentage of the total disbursement those checks represent. This product is the clearance factor.

The dollar-weighted average day of clearance for the disbursement shall be determined by summing the clearance factor of each day following the disbursement.

7.6.1 This section modifies and further clarifies Section 7.6.

The State shall use the following method to calculate the dollar-weighted average day of clearance.

To determine the number of days each disbursement was outstanding (clearance time), the issue date shall be subtracted from the date the disbursement cleared the State account.

To determine the percentage of the total disbursements paid out for a period of 3 months(See Section 7.4.1), divide each disbursement by the amount of the total disbursements during the 3 month test period.

The clearance time of each individual disbursement in the 3 month test period shall be multiplied by the percentage of the total disbursements for the 3 month test period. This product is the weighted clearance factor.

The dollar-weighted average day of clearance for the total disbursements shall be determined by summing the weighted clearance factor for each individual
disbursement.

7.7 The State shall adjust each clearance pattern to reflect the dollar-weighted proportion of funds paid out by EFT/Direct payroll, with the following exceptions:

None.

The State shall also adjust each clearance pattern to reflect:

None.

7.8 Each of the State's clearance patterns is calculated in calendar days.

7.9 An authorized State official shall certify that each clearance pattern developed by the State accurately corresponds to the clearance activity of the programs to which it is applied. This certification shall be provided to the Fiscal Service prior to the effective date of the Agreement. The State shall recertify its clearance patterns at least every five years.

7.10 The State shall follow the procedures of 31 CFR 205 if it has actual or constructive knowledge, at any time, that a clearance pattern does not correspond to a program's clearance activity.

8.0 INTEREST CALCULATION METHODOLOGY

8.1 General Terms

8.1.1 The State and the Secretary agree that no interest liabilities will be incurred for transfers of funds made in accordance with the procedures specified in section 6 of this Agreement where the following funding techniques are applied:

Actual Clearance, ZBA - ACH
Actual Clearance, ZBA - Same Day Payment
Actual Costs - Bi-Weekly Request
Actual Costs - Estimated Allocation - Bi-Weekly
Actual Costs - Estimated Allocation - Daily
Average Clearance Subject to a $100,000 Threshold
Average Clearance
Composite Clearance

Direct Administrative Costs - Drawdowns on a Payroll Cycle
Fixed Administrative Allowances - Bi-Weekly Payroll
HUD Payment Schedule
Modified Direct Administrative Costs - Weekly
Modified Grants for Administrative Costs
Modified Payment Schedule - Weekly
Modified Payment Schedule - Bi-Weekly
Monthly Reimbursement Request
Payment Schedule - Monthly

8.1.2 The State shall maintain information on disbursements and receipts of funds to verify the implementation of any funding technique and document interest liabilities.
For each disbursement, the State shall be able to identify:
(1) amount of the issuance
(2) date of issuance
(3) date Federal funds are received and credited to a State account
(4) amount of Federal funds received
(5) date funds were requested

8.2 Federal Interest Liabilities

8.2.1 A Federal interest liability shall accrue from the day the State pays out its own funds for program purposes to the day Federal funds are credited to a State account. With regard to funds transferred out of the Federal Highway Trust Fund, if a State does not bill at least weekly for current project costs, the Federal interest liability shall not accrue prior to the day the State submits a request for funds.

8.2.2 The State shall use the following method to calculate Federal interest liabilities:

Actual Activity:
For all transactions where the State pays out its own funds for program purposes prior to receiving Federal funds, the State shall track each payment from the date it is paid out of a State account to the date Federal funds are subsequently credited to a State account to cover that outlay. The Federal interest liability on each payment shall be based on the difference in whole days between the two events. With Federal-State matching programs, interest shall be calculated on the Federal percentage of the disbursement.

8.2.3 When the procedures specified in Section 6 of this Agreement are properly applied, any quarterly and year-end accounting corrections or adjustments will be interest neutral. The State shall reduce or increase the next scheduled draw by the amount of the adjustment.

8.3 The Unemployment Trust Fund

8.3.1 The State shall use the following method to calculate State interest liabilities on funds withdrawn from the several accounts in the Unemployment Trust Fund:

Federal Funds Interest Neutral, State Funds not:
The State shall use the following methodology to calculate State interest liabilities on funds withdrawn from the State account in the UTF under the Unemployment Insurance program.

Based on statements provided by its financial institution (or other appropriate sources), the State shall determine the

actual interest earnings and the related banking costs attributable to funds withdrawn from its account in the UTF. At the end of the States fiscal year, the State shall calculate the percentage of its total unemployment compensation expenditures for (1) funds withdrawn from the State account in the UTF, or the State %, and (2) funds withdrawn from the Federal Employees Compensation Account (FECA) and the Extended Unemployment Compensation Account (EUCA) and any other accounts of Federal funds in the UTF, or the Federal %.

The actual interest earnings of the benefit payment account on the whole constitute the actual interest earnings attributable to funds withdrawn from the State account in the UTF, since the State shall apply an appropriate interest neutral funding technique, to funds withdrawn from the FECA and EUCA and any other benefit accounts of Federal funds in the UTF from which the State draws.

The State shall calculate the related banking costs attributable to funds withdrawn from the State account in the UTF by multiplying the State % by the amount of the related banking costs of the benefit payment account as a whole. The States liability for interest on funds withdrawn from its account in the UTF shall consist of the actual interest earnings of the benefit payment account on the whole less the related banking costs attributed to such funds.

8.4 Refund Liabilities

8.4.1 The State shall be liable for interest on refunds from the date the refund is credited to a State account until the date the refund is debited from the State account for program purposes. The State shall apply a $50,000 refund transaction threshold below which the State shall not incur or calculate interest liabilities on refunds. A transaction is defined as a single deposit.

8.4.2 For each refund, the State shall maintain information identifying:
(1) date a refund is credited to a State account
(2) date of the subsequent deposit of Federal funds against which the refund is offset
(3) amount of the refund

8.4.3 The State shall use the following methodology to calculate interest liabilities on refunds:

With programs to which applicable interest neutral funding techniques are applied, the State interest liability shall be based on the difference in whole days between the date the refund is deposited in a State account and the date the refund is offset against a subsequent deposit of Federal funds.

8.4.4 For CFDA 93.778, the State shall not incur an interest liability on refunds if drawn in the following manner.

The State shall reduce each weekly draw by an amount equal to the sum of all refunds in the previous four(4) quarters divided by 52 weeks. The total draw reduction for the quarter is the calculated amount, as previously stated, times the number of weeks in the current quarter. The State shall adjust the estimated refunds for the quarter to the actual refunds and make an adjustment to the next scheduled draw.

8.5 Exemptions

8.5.1 Where more than one State agency is a recipient of Federal funds under a program, a particular State agency's funding may be excluded from interest calculation procedures if the State agency receives an amount of funds less than 5 % of the State's threshold for major Federal assistance programs. Notwithstanding this potential exemption, however, in no case shall less than 90% of a program's total funding be subject to interest calculation procedures.

Proration of calculations: If less than total program funding is subject to interest calculation procedures, the resulting interest liability calculations shall be prorated to 100% of program funding.

8.6 State Interest Liabilities

8.6.1 The State shall be liable for interest on Federal funds from the date Federal funds are credited to a State account until the date those funds are paid out for program purposes.

8.6.2 The State shall use the following method to calculate State interest liabilities on Federal funds:

8.6.2.1 Measuring Time Funds Are Held

Deposit to Clearance:
To determine the total time Federal funds are held, the State shall measure the time between the date Federal funds are received and credit to a State's account and the date those funds are debited from the State's account.

8.6.2.2 Source of Data

Clearance Patterns:
The time period from issuance of funds to the date funds are debited from the State's account shall be determined by the appropriate clearance pattern specified in Exhibit II.

8.6.2.3 Standards Applied

Census (Average Daily Balance):
The average daily cash balance of Federal Funds in the program's account reflects the actual activity of each draw from the date of deposit to the date of issuance or clearance, whichever is pertinent.

8.6.2.4 Calculation Procedure

Average Daily Balance:
I = ADB x R, where

I = State's total interest liability

ADB = Average Daily Balance of cash in a program's account, measured from deposit to clearance

R = Annualized rate equal to the average equivalent yields of 13-week Treasury bills auctioned during a State's fiscal year

9.0 REVERSE FLOW PROGRAMS

The State is not required to cover any reverse flow programs under the terms of this Agreement because the program falls below the State's threshold.

10.0 INTEREST CALCULATION COSTS

10.1 As set forth in 31 CFR 205.27, interest calculation costs are defined as those costs necessary for the actual calculation of interest, including the cost of developing and maintaining clearance patterns in support of the interest calculations. Interest calculation costs do not include expenses for normal disbursing services, such as processing of checks or maintaining records for accounting and reconciliation of cash balances, or expenses for upgrading or modernizing accounting systems. Interest calculation costs in excess of $50,000 in any year are not eligible for

reimbursement, unless the State provides justification with the annual report.

10.2 The State expects to incur the following types of interest calculation costs:

1. Compiling and determining actual clearance patterns.
2. Compiling and analyzing information prepared for each grant program related to the interest calculation.
3. Performing the actual interest calculation of interest.
4. Preparing and transmitting the Annual Report to the Bureau of Fiscal Service.

10.3 The State shall submit all claims for reimbursement of interest calculation costs with its Annual Report in accordance with 31 CFR 205.

11.0 NON-COMPLIANCE

11.1 The provisions of 31 CFR Part 205.29 and 31 CFR Part 205.30 shall apply in cases of non-compliance with the terms of this Agreement.

12.0 AUTHORIZED SIGNATURES

Mary G. Martin
Director, Bureau of State and Authority Finance

Signature: [redacted] Date Signed: 9-18-15

Date Submitted 08/27/2015

Corvelli A. McDaniel
Assistant Commissioner
Revenue Collections Management
Bureau of the Fiscal Service
U.S. Department of the Treasury

Signature: Corvelli A. McDaniel Date Signed: 10/9/15

Exhibit I - Funds Request and Receipt Times Schedule
State of Michigan

Federal Agency	Payment Type	Request Cut-Off Time	Receipt Window
Agriculture-FNS	ACH	11:59 PM	1 day
Agriculture-FNS	Fedwire	5:45 PM	0 day
Agriculture-FS	ACH	3:00 PM	1 day
Air National Guard	ACH	12:00 PM	15 days
Army National Guard	ACH	12:00 PM	15 days
Commerce-NOAA	ACH	2:00 PM	1 day
Dept of Homeland Security (FEMA)	Fedwire	2:00 PM	0 day
Dept of Homeland Security (ODP)	ACH	2:00 PM	2 days
Dept of Homeland Security (ODP)	Fedwire	2:00 PM	2 days
EPA	ACH	2:00 PM	2 days
EPA	Fedwire	2:00 PM	0 day
Education	ACH	3:00 PM	1 day
Education	Fedwire	2:00 PM	0 day
Energy	ACH	4:00 PM	1 day
Energy	Fedwire	3:00 PM	0 day
HHS	ACH	6:30 PM	1 day
HHS	Fedwire	3:00 PM	0 day
HUD	ACH	5:30 PM	2 days
HUD	Fedwire	3:00 PM	0 day
Interior-FWS	ACH	11:59 PM	1 day
Interior-FWS	Fedwire	5:45 PM	0 day
Interior-OSM	ACH	3:00 PM	1 day
Interior-OSM	Fedwire	5:45 PM	0 day
Justice	ACH	11:00 PM	6 days
Justice	Fedwire	2:00 PM	2 days
Labor-Non-UTF	ACH	3:00 PM	1 day
Labor-UTF	ACH	3:00 PM	1 day
Labor-UTF	Fedwire	3:00 PM	0 day
National Science Foundation (NSF)	ACH	8:00 PM	1 day
National Science Foundation (NSF)	Fedwire	5:45 PM	0 day
Social Security Administration	ACH	11:59 PM	1 day
Social Security Administration	Fedwire	5:45 PM	0 day
Transportation (FAA)	ACH	2:00 PM	1 day
Transportation (FHWA)	ACH	12:00 PM	3 days
Transportation (FHWA)	Fedwire	12:00 PM	0 day
Transportation (FTA)	ACH	2:00 PM	1 day
Veterans Administration	ACH	12:00 PM	3 days

Exhibit II - State of Michigan

LIST OF STATE CLEARANCE TIMES

(Rounded Dollar-Weighted Average Day of Clearance)

Clearance Times Where the Timing of A Draw Down Is Based on A Clearance Pattern

CFDA	Program Name	Recipient	%	Component	Technique	Rounded days
10.551	Supplemental Nutrition Assistance Program	Department of Health and Human Services - Human Services	100.00	Benefits - EBT	Actual Clearance, ZBA - Same Day Payment	0 Days
10.553	School Breakfast Program	Department of Education	100.00	Benefits	Modified Payment Schedule - Weekly	N/A
10.555	National School Lunch Program	Department of Education	100.00	Benefits	Modified Payment Schedule - Weekly	N/A
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	Department of Health and Human Services - Community Health	23.00	Administrative	Direct Administrative Costs - Drawdowns on a Payroll Cycle	N/A
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	Department of Health and Human Services - Community Health	2.00	Payroll	Direct Administrative Costs - Drawdowns on a Payroll Cycle	N/A
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	Department of Health and Human Services - Community Health	75.00	Benefits - EBT	Actual Clearance, ZBA - Same Day Payment	0 Days
10.558	Child and Adult Care Food Program	Department of Education	100.00	Benefits	Modified Payment Schedule - Weekly	N/A
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	Department of Health and Human Services - Human Services	30.00	Nutrition Ed/Farmers Market/SAE	Modified Direct Administrative Costs - Weekly	N/A
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	Department of Health and Human Services - Human Services	70.00	Food Stamp Administration including Employment and Training	Fixed Administrative Allowances - Bi-Weekly Payroll	0 Days
12.401	National Guard Military Operations and Maintenance (O&M) Projects	Department of Military and Veterans Affairs	57.00	CSSM (Non-Payroll)	Prior Month's Actual	N/A
12.401	National Guard Military Operations and Maintenance (O&M) Projects	Department of Military and Veterans Affairs	43.00	Payroll	Prior Month's Actual	N/A
14.182	Lower Income Housing Assistance Program -- Section 8 New Construction/Substantial Rehabilitation	Michigan State Housing Development Authority	95.00	Tenant Housing Assistant Payments	HUD Payment Schedule	N/A
14.182	Lower Income Housing Assistance Program -- Section 8 New Construction/Substantial Rehabilitation	Michigan State Housing Development Authority	5.00	Administration	HUD Payment Schedule	N/A
14.871	Section 8 Housing Choice Vouchers	Michigan State Housing Development Authority	90.00	Tenant Housing Assistant Payments	HUD Payment Schedule	N/A

CFDA	Program Name	Recipient	%	Component	Technique	Rounded days
14.871	Section 8 Housing Choice Vouchers	Michigan State Housing Development Authority	10.00	Administration	HUD Payment Schedule	N/A
17.225F	Unemployment Insurance -- Federal Benefit Account and Administrative Costs	Department of Talent and Economic Development	1.00	Benefits (Manual Checks) - Federal EUCA, TRA and EB	Actual Costs - Estimated Allocation - Daily	N/A
17.225F	Unemployment Insurance -- Federal Benefit Account and Administrative Costs	Department of Talent and Economic Development	45.00	Administrative and Payroll	Direct Administrative Costs - Drawdowns on a Payroll Cycle	0 Days
17.225F	Unemployment Insurance -- Federal Benefit Account and Administrative Costs	Department of Talent and Economic Development	54.00	Benefits (ACH) - Federal EUCA, TRA and EB	Actual Clearance, ZBA - ACH	N/A
17.225S	Unemployment Insurance -- State Benefit Account	Department of Talent and Economic Development	1.00	Benefits (Manual Checks) - State UTF	Actual Costs - Estimated Allocation - Daily	N/A
17.225S	Unemployment Insurance -- State Benefit Account	Department of Talent and Economic Development	99.00	Benefits (ACH) - State UTF	Actual Clearance, ZBA - ACH	N/A
20.106	Airport Improvement Program	Department of Transportation	1.00	Payroll	Average Clearance	0 Days
20.106	Airport Improvement Program	Department of Transportation	99.00	Vendor Payments	Average Clearance	0 Days
20.205	Highway Planning and Construction	Department of Transportation	6.00	Payroll	Average Clearance	0 Days
20.205	Highway Planning and Construction	Department of Transportation	94.00	Vendor Payments	Average Clearance	0 Days
20.319	High-Speed Rail Corridors and Intercity Passenger Rail Service Capital Assistance Grants	Department of Transportation	100.00	Vendor and Contractor Payments	Monthly Reimbursement Request	N/A
84.010	Title I Grants to Local Educational Agencies	Department of Education	98.00	Benefits	Modified Payment Schedule - Weekly	N/A
84.010	Title I Grants to Local Educational Agencies	Department of Education	2.00	Payroll and Admin	Modified Direct Administrative Costs - Weekly	0 Days
84.027	Special Education -- Grants to States	Department of Education	89.00	Benefits	Modified Payment Schedule - Weekly	N/A
84.027	Special Education -- Grants to States	Department of Education	11.00	Payroll and Admin	Modified Direct Administrative Costs - Weekly	0 Days
84.126	Rehabilitation Services -- Vocational Rehabilitation Grants to States	Department of Health and Human Services - Human Services	85.00	Payroll, Benefits, Travel, CSS&M and Client Services	Modified Payment Schedule - Bi-Weekly	N/A
84.126	Rehabilitation Services -- Vocational Rehabilitation Grants to States	Department of Licensing and Regulatory Affairs	15.00	Payroll, Benefits, Travel, CSS&M and Client Services	Actual Costs - Bi-Weekly Request	N/A
84.367	Improving Teacher Quality State Grants	Department of Education	98.00	Benefits	Modified Payment Schedule - Weekly	N/A
84.367	Improving Teacher Quality State Grants	Department of Education	2.00	Payroll and Admin	Modified Direct Administrative Costs - Weekly	0 Days
93.558	Temporary Assistance for Needy Families	Department of Health and Human Services - Human Services	1.00	Benefits on Behalf of Clients - Non-EBT	Average Clearance	3 Days
93.558	Temporary Assistance for Needy Families	Department of Health and Human Services - Human Services	6.00	Adoption	Composite Clearance	2 Days
93.558	Temporary Assistance for Needy Families	Department of Health and Human Services - Human Services	19.00	Client Benefits - Energy	Composite Clearance	3 Days

CFDA	Program Name	Recipient	%	Component	Technique	Rounded days
93.558	Temporary Assistance for Needy Families	Department of Health and Human Services - Human Services	34.00	Other Expenditures including Administration and Payroll	Modified Payment Schedule - Bi-Weekly	0 Days
93.558	Temporary Assistance for Needy Families	Department of Health and Human Services - Human Services	40.00	Client Benefits - EBT	Actual Clearance, ZBA - Same Day Payment	0 Days
93.563	Child Support Enforcement	Department of Health and Human Services - Human Services	100.00	Administrative including Payroll	Fixed Administrative Allowances - Bi-Weekly Payroll	0 Days
93.568	Low-Income Home Energy Assistance	Department of Health and Human Services - Human Services	4.00	LIHEAP Weatherization, Deliverable Fuels, and DTE Energy Payment	Modified Payment Schedule - Weekly	N/A
93.568	Low-Income Home Energy Assistance	Department of Health and Human Services - Human Services	86.00	Benefits	Modified Payment Schedule - Weekly	N/A
93.568	Low-Income Home Energy Assistance	Department of Health and Human Services - Human Services	10.00	Administrative including Payroll	Modified Payment Schedule - Bi-Weekly	0 Days
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	Department of Education	95.00	Benefits	Composite Clearance	2 Days
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	Department of Education	5.00	Other expenditures including administration and payroll	Modified Direct Administrative Costs - Weekly	0 Days
93.658	Foster Care -- Title IV-E	Department of Health and Human Services - Human Services	50.00	Benefits	Composite Clearance	1 Day
93.658	Foster Care -- Title IV-E	Department of Health and Human Services - Human Services	50.00	Administrative including Payroll	Fixed Administrative Allowances - Bi-Weekly Payroll	0 Days
93.659	Adoption Assistance	Department of Health and Human Services - Human Services	93.00	Direct Client Benefits	Composite Clearance	2 Days
93.659	Adoption Assistance	Department of Health and Human Services - Human Services	7.00	Administrative including Payroll	Fixed Administrative Allowances - Bi-Weekly Payroll	0 Days
93.667	Social Services Block Grant	Department of Health and Human Services - Human Services	100.00	Adminstration including Payroll	Modified Grants for Administrative Costs	0 Days
93.767	Children's Health Insurance Program	Department of Health and Human Services - Community Health	96.00	Benefits	Average Clearance	0 Days
93.767	Children's Health Insurance Program	Department of Health and Human Services - Community Health	3.00	Miscellaneous Benefits	Actual Costs - Estimated Allocation - Bi-Weekly	1 Day
93.767	Children's Health Insurance Program	Department of Health and Human Services - Community Health	1.00	Other Non-MMIS Payments	Actual Clearance, ZBA - Same Day Payment	0 Days
93.778	Medical Assistance Program	Department of Health and Human Services - Community Health	95.00	Benefits CHAMPS Payment	Average Clearance	0 Days
93.778	Medical Assistance Program	Department of Health and Human Services - Community Health	1.00	Miscellaneous Benefits	Actual Costs - Estimated Allocation - Bi-Weekly	1 Day
93.778	Medical Assistance Program	Department of Health and Human Services - Community Health	1.00	Other Non-CHAMPS Large Benefit Payments	Actual Clearance, ZBA - Same Day Payment	0 Days
93.778	Medical Assistance Program	Department of Health and Human Services - Community Health	3.00	Administrative including Payroll	Fixed Administrative Allowances - Bi-Weekly Payroll	0 Days

CFDA	Program Name	Recipient	%	Component	Technique	Rounded days
93.959	Block Grants for Prevention and Treatment of Substance Abuse	Department of Health and Human Services - Community Health	99.00	Benefits	Payment Schedule - Monthly	1 Day
93.959	Block Grants for Prevention and Treatment of Substance Abuse	Department of Health and Human Services - Community Health	1.00	Administrative and Payroll	Payment Schedule - Monthly	0 Days
96.001	Social Security -- Disability Insurance	Department of Health and Human Services - Human Services	100.00	Contract Vendor Payments including Administrative and Payroll	Average Clearance Subject to a $100,000 Threshold	1 Day

---

I hereby certify that an authorized State official has certified at least every five years that the "Rounded Days of Clearance" listed in Exhibit 2 of this Treasury-State Agreement:

1. Have been prepared in accordance with the standards provided in 31 CFR 205.20;

2. Accurately represent the flow of Federal funds under the Federal assistance programs to which they apply;

3. Reflect seasonal or other periodic variations in the clearance activities; and,

4. Are auditable.

Date: 9-18-15

Printed Name: Mary G. Martin

Certifying Signature: [redacted]

Title: Director, Bureau of State and Authority Finance