DEPARTMENT OF TREASURY

JAY B. RISING, STATE TREASURER
Treasury Building
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The Office of State Treasurer is provided for by article V, section 3, of the Michigan Constitution of 1963. The state treasurer is appointed by the governor, with the advice and consent of the senate, and serves at the pleasure of the governor.

The department was established by the Executive Organization Act of 1965, which merged the operations of the following six agencies: State Treasurer, Department of Revenue, Municipal Finance Commission, Board of Tax Appeals, State Tax Commission, and Auditor General (except the state audit function). In addition, the Board of Equalization and Board of Escheats were abolished and their functions were absorbed by the new department.

Effective July 1, 1984, the Municipal Finance Commission was abolished. All its powers and duties now reside with the state treasurer.

Effective in August 1991, the Michigan Tax Tribunal was transferred to the Department of Commerce pursuant to Executive Order No. 1991-18.

Effective in May 1992, the Michigan Higher Education Facilities Commission and Michigan Higher Education Facilities Authority were transferred from the Department of Education to the Department of Treasury pursuant to Executive Order No. 1992-2.

Effective April 8, 1995, the Michigan Higher Education Assistance Authority and Michigan Higher Education Student Loan Authority were transferred from the Department of Education to the Department of Treasury pursuant to Executive Order No. 1995-3.

Effective January 1, 2000, all administrative responsibilities related to statewide educational assessments were transferred from the Department of Education to the Department of Treasury pursuant to Executive Order No. 1999-12.

The state treasurer acts as principal advisor to the governor on tax and fiscal policy issues. The state treasurer is the chairperson of the Michigan Debt Advisory Board, the Michigan Education Trust, the Michigan Higher Education Assistance Authority, the Michigan Higher Education Student Loan Authority, the Michigan Merit Award Board, the Michigan Municipal Bond Authority, and the Michigan School District Accountability Board. The state treasurer serves as sole investment fiduciary to the judges, public school employees, state employees, and state police retirement funds. The state treasurer serves as treasurer of the Mackinac Bridge Authority, and five retirement systems. The state treasurer is also a member of the following boards and commissions: Local Emergency Financial Assistance Loan Board, Michigan Broadband Development Authority Board, Michigan Capitol Park Commission, Michigan Economic Development Corporation Corporate Board, Michigan Economic Growth Authority, Michigan Forest Finance Authority, Michigan Public Educational Facilities Authority, Michigan State Hospital Finance Authority, Michigan State Housing Development Authority, Michigan Strategic Fund, Michigan Underground Storage Tank Financial Assurance Authority/Advisory Board, Michigan Judges Retirement Board, Michigan State Employees Retirement Board, Michigan State Police Retirement Board, and the State Administrative Board.

The operational responsibilities of the department are handled by the Executive Office, the Chief Deputy Treasurer, the Deputy Treasurer for Financial and Administrative Services, the Deputy Treasurer for State and Local Finance, and the Director of the Bureau of Investments.

Executive Office

The *Executive Office* of the Department of Treasury consists of the State Treasurer, the Chief Deputy Treasurer, the Deputy Treasurer for Financial and Administrative Services, the Deputy Treasurer for State and Local Finance, and the Director of the Bureau of Investments.

Office of Internal Audit

The overall objective of the *Office of Internal Audit (OIA)* is to assist Treasury management in carrying out its responsibilities by providing an independent appraisal, analysis, and evaluation of department operations. OIA also assists in the determination of whether risks are identified and reduced, acceptable policies and procedures are followed, established standards are met, and resources are used efficiently and economically. Services provided to the department include such items as the annual auditing of taxes receivable and payable which is needed to close the state's accounting records, acting as the liaison with the Office of Auditor General, conducting special audits for upper management, and reviewing written procedures as necessary to detect potential internal control weaknesses. In addition, OIA is responsible for carrying out the responsibilities described in §§ 18.1483-18.1489 of the Michigan Compiled Laws.

Office of Security

The *Office of Security* performs functions to assure information and data security in development and maintenance of system applications and technological processes operated by or on behalf of the Department of Treasury; compliance with statutes and regulations for security and confidentiality of information in the custody of the State of Michigan; and conformance by bureau, division, and office staff with State of Michigan and departmental security policies, procedures, and practices. The office controls access to the various Treasury computer systems through a process of written and online approvals and facilitates annual security reviews to be performed by departmental staff.

Investments

The state treasurer is the investment fiduciary and custodian for four state retirement funds with assets of over $40 billion and 572,307 members, retirees, and beneficiaries. The state treasurer is also responsible for investing state operating and various other state funds with assets of $5 billion.

The ***Bureau of Investments*** performs all investment functions on behalf of the state treasurer. The bureau is organized by major investment disciplines, as follows: Alternative Investments Division, Short-Term Fixed Income Analysis Division, Long-Term Fixed Income Analysis Division, Mortgage and Real Estate Division, Quantitative Analysis Division, and Stock Analysis Division. The Trust Accounting Division accounts for and settles the investment transactions and maintains custody of the investments.

Investment of the four retirement funds is overseen by the Investment Advisory Committee.

INVESTMENT ADVISORY COMMITTEE

Public Members	*Term expires*
DR. JAMES B. HENRY, East Lansing (Chair)	Dec. 15, 2003
DAVID G. SOWERBY, Troy	Dec. 15, 2005
ROBERT E. SWANEY, JR., Grosse Pointe Farms	Dec. 15, 2004

ex officio

DAVID C. HOLLISTER, Director, Department of Consumer and Industry Services
MITCH IRWIN, Director, Department of Management and Budget

The **Investment Advisory Committee** was created by Act 232 of 1969 to review the investments, goals, and objectives of each of the retirement funds. The committee may, by majority vote, direct the state treasurer to dispose of any holding it judges may not be suitable for the funds involved and may, by unanimous vote, direct the state treasurer to make specific investments. The committee meets on a quarterly basis.

The three public members of the 5-member committee are appointed by the governor, with the advice and consent of the senate, for 3-year terms. Upon expiration of a term, a member may continue to serve until a successor is appointed. The other two members serve by virtue of their positions in state government.

MICHIGAN BROADBAND DEVELOPMENT AUTHORITY

Serve at the Pleasure of the Governor

JAY B. RISING, President and CEO (MBDA), State Treasurer (Acting Chairperson)
JAMES WALTER BUTLER, Vice President (MBDA)
SABRINA KEELEY, Acting CEO, Michigan Economic Development Corporation
JAMES L. LOGUE, Executive Director, Michigan State Housing Development Authority

Public Members	*Term expires*
SUZANNE M. COLE, Fenton	Dec. 31, 2003
SUZANNE DEES, Ishpeming	Dec. 31, 2004
JOEL FERGUSON, Lansing	Dec. 31, 2005
DR. TIMOTHY J. LAING, Ann Arbor	Dec. 31, 2004
MATTHEW W. MCLOGAN, Grand Rapids	Dec. 31, 2005
CYRIL MOSCOW, Detroit	Dec. 31, 2003

The **Michigan Broadband Development Authority** was created by the Legislature in the spring of 2002 as an independent "public body corporate" housed administratively within the Department of Treasury. The Broadband Authority's mission is to expand the availability and utilization of broadband service across the state. The Broadband Authority has a governing board comprised of the State Treasurer, Executive Director of MSHDA, CEO of the MEDC, and six appointees (three from each political party). The Authority's President and Vice President also serve as board members. The Broadband Authority utilizes bond proceeds to cover operating costs and to finance broadband infrastructure projects (it does not use any appropriated funds). These loans may be provided to both broadband providers, for infrastructure expansion, and to users for the acquisition of information technology systems — hardware/software applications that utilize broadband connections. To date, the Authority has issued $50 million worth of bonds and anticipates issuing an additional $100 million prior to December 31, 2002.

Chief Deputy Treasurer

The *Chief Deputy Treasurer* oversees Tax Administration and Oversight, the Bureau of Student Financial Assistance, the Office of Revenue and Tax Analysis, and the Office of the Legislative Liaison.

The *Office of Revenue and Tax Analysis* prepares the official economic and revenue forecasts for the administration; the revenue portion of the Governor's Executive Budget; analyses of Michigan taxes, tax characteristics, and tax proposals through which administration tax policy is formulated; and administers the $1.6 billion local government revenue sharing program.

The *Office of the Legislative Liaison* coordinates the Department of Treasury's legislative activities. In addition to testifying before House and Senate committees on legislation affecting taxes administered by the department, this office also processes taxpayer concerns received from legislative offices.

Revenue Administration

Revenue administration staff are responsible for administering, collecting, refunding, auditing, and enforcing the major tax laws, including income, sales, use, single business, motor fuel, real estate transfer, and 37 other miscellaneous taxes. The Tax Processing Bureau collects for all tax types; the Customer Service Bureau handles all levels of taxpayer inquiries; the Tax Compliance Bureau conducts all audit and discovery functions; and the Bureau of Tax Policy coordinates the development of tax policy. Tax and fee collections for the fiscal year 2002 totaled over $23.2 billion less refunds of $1.7 billion for a net total of over $21.5 billion.

Bureau of Student Financial Assistance

The *Office of Scholarships and Grants* administers the Michigan Competitive Scholarship, Tuition Grant, and Post-Secondary Access Student Scholarship (PASS) Programs, as well as the Federal Robert C. Byrd Honors Scholarship, Leveraging Educational Assistance Partnership, and Paul Douglas Teacher Scholarship Program. These programs annually provide in excess of $100 million in gift aid to over 61,000 Michigan students.

The *Office of Information and Resources* assists more than 19,000 Michigan students annually, through the administration of approximately $13 million provided by the Adult Part Time Grant, Michigan Educational Opportunity Grant, and Michigan Work-Study Programs. This office also administers the Degree Reimbursement Program which provides an annual allocation to independent, nonprofit Michigan colleges and universities based upon the number of Michigan residents graduated during the preceding year in the allied health, dental, and general degree categories.

The *Office of the Michigan Guaranty Agency* administers the Federal Family Education Loan Program which includes the Subsidized Federal Stafford Loan Program, the Unsubsidized Federal Stafford Loan Program, the Federal PLUS Loan Program, the Federal Consolidation Loan Program, and the Federal Supplemental Loan for Students Loan Program. During the 2001-02 fiscal year, the Michigan Guaranty Agency guaranteed more than 148,965 loans totaling in excess of $559 million that were made by private lending institutions and the Michigan Higher Education Student Loan Authority's Michigan Direct Student Loan Program.

Authorities and Boards

MICHIGAN EDUCATION TRUST
BOARD OF DIRECTORS

Serve at the Pleasure of the Governor

JAY B. RISING, Chairperson
ROBERT BOWMAN, President
THOMAS B. SULLIVAN, Vice President

Private Colleges and Universities *Term expires*

VACANCY . . . . Dec. 31, 2005

Four-Year Public Colleges and Universities

DR. MICHAEL RAO, Central Michigan University. . . . . Dec. 31, 2003

Community and Junior Colleges

PAULA CUNNINGHAM, Lansing Community College . . . . Dec. 31, 2003

General Public

KATHLEEN SCHMALTZ, Jackson. . . . . Dec. 31, 2005
TAYLOR C. SEGUE, III, Detroit . . . . Dec. 31, 2004
STACIA K. SMITH, Ann Arbor . . . . Dec. 31, 2003

Nominated by Senate Majority Leader

STEPHANIE M. WILKINSON, Port Huron . . . . Dec. 31, 2005

Nominated by Speaker of the House of Representatives

LON SCHNEIDER, Tustin . . . . Dec. 31, 2005

The **Michigan Education Trust** was created by Act 316 of 1986 to provide a method for families to prepurchase their children's future Michigan college tuition costs. The trust offers contracts to purchasers, collects and invests the funds, and pays out tuition to colleges and universities when enrollees attend college.

The trust is governed by a board of directors, composed of the state treasurer and eight members appointed by the governor, with the advice and consent of the senate. Of the eight members appointed by the governor, two serve at the pleasure of the governor, and the other six members serve 3-year terms. Upon expiration of a term, a member may continue to serve until a successor is appointed.

The Michigan Education Savings Program, also administered by the state treasurer, was created by Act 161 of 2000 to provide families with a flexible way to save for future education expenses through a choice of investment options. The MET Board of Directors serves as an advisory board for MESP.

MICHIGAN MERIT AWARD BOARD

Members Designated by Statute

JAY B. RISING, State Treasurer (Chairperson)
DAVID C. HOLLISTER, Director of the Department of Career Development
THOMAS D. WATKINS, JR., Superintendent of Public Instruction

Public Members	*Term expires*
KATHLEEN S. BARCLAY, Grosse Pointe Farms	Sept. 30, 2003
CLARK DURANT, Grosse Pointe	Sept. 30, 2003
HAROLD J. VOORHEES, Wyoming	Sept. 30, 2005
PASTOR MARVIN L. WINANS, Detroit	Sept. 30, 2005

Act 94 of 1999 (the Michigan Merit Award Scholarship Act) established the Michigan Merit Award, a program that rewards academic achievement on Michigan Educational Assessment Program (MEAP) statewide assessment tests and makes post-secondary education more affordable. Beginning with the high school graduating Class of 2000, students who met certain criteria were eligible for a Michigan Merit Award of $2,500 to be used at any approved post-secondary educational institution. Beginning with the Class of 2005, an additional award of up to $500 may be made. Some 51,000 graduates of the Class of 2002 qualified for the $2,500 award. The award is available to all Michigan students (including public school, public school academy, nonpublic school, and home school students) who meet all eligibility requirements.

The program is administered by an 18-member staff within the Michigan Department of Treasury and is guided by the **Michigan Merit Award Board**. The board is responsible for developing the rules and processes by which the program is administered.

Funding is provided by a portion of Michigan's share of the revenue from the November 1998 multi-state settlement agreement with tobacco manufacturers.

Financial and Administrative Services

Financial Services Bureau

The ***Receipts Processing Division*** receives state agency monetary deposits. The division records and controls Treasury's revenue accounts and oversees the electronic funds transfer (EFT) and state cash receipting credit card contracts. During the fiscal year 2002, the division processed receipts totaling $36.0 billion. The division is also responsible for overseeing the state's banking relationships throughout the state.

In addition, the division oversees state disbursement processes that include printing and mailing of all warrants (checks) to pay state obligations and issuance of electronic funds transactions. Annually, the division is responsible for more than 9 million warrants and 4 million EFT payments to recipients of vendor payments, lottery payments, employee and retiree payroll, public assistance, revenue sharing, tax refunds, and property tax credit rebates. The division also processes stop-payment requests and forged endorsed claims.

The ***Finance and Accounting Division*** accounts for appropriation expenditures, and coordinates and oversees the department's accounting function. This includes the processing of vendor payments, direct vouchers, inter-account bills, travel, interfaces, and inventory and asset control.

The division reconciles the state's bank statement activity with statewide book cash. Additionally, it fulfills Treasury's central control agency relationship with Michigan Administrative Information Network (MAIN) within the Department of Management and Budget.

The ***Collection Division*** is the centralized collection agency for all overdue assessed taxes administered by the Department of Treasury, including jeopardy assessments, and all debts owed to state departments, agencies, commissions, and institutions. The division processes court and governmental claims against payments.

Administrative Services Bureau

The Administrative Services Bureau performs support services for the entire department and includes the following functions: Human Resources, Purchasing, Forms, Documentation and Procedures, Mail Services, Space, and Unclaimed Property.

The ***Human Resources Division*** performs the employee services for the department's 1,250 employees, including payroll, recruiting, selection, employee relations, and labor relations.

The ***Purchasing Section*** performs the procurement, leasing, and contracting services for the department and issues approximately 1,200 purchase orders and 25 Requests for Proposals annually.

The ***Forms and Document Services Section*** designs and edits approximately 2,000 departmental forms and tax booklets. The major tax booklets include Individual Income Tax; Farmland Tax Preservation Tax Credit; Homestead Property Tax Credit for Veterans and the Blind; Home Heating Credit; Single Business Tax; and Sales, Use, and Withholding Taxes.

The ***Mail Operations and Facility Services Division*** opens and sorts the 6.8 million pieces of mail the department receives each year. This includes approximately 3.2 million income tax refunds. There is a permanent staff of 30 employees, with 70 temporary employees hired for the tax season each year. This division also manages office space functions.

The ***Unclaimed Property Division*** has millions of dollars in unclaimed property. The division processes in excess of 20,000 claims each year. Efforts to assist people in making claims includes publishing new property received each year in October in a statewide newspaper and publishing the department's database on its website: www.michigan.gov/treasury.

State and Local Finance

The Deputy Treasurer for State and Local Finance oversees all public and municipal finance and regulatory programs within the Department, supervises the cash and debt management function for the State, serves as a member of the Treasurer's executive team, and is his chief advisor regarding public finance.

The ***Bureau of Bond Finance*** coordinates the issuance of state and authority bonds and notes, including state general obligation issues; performs related fiscal oversight responsibilities; assists with managing the state's common cash investment fund; prepares statewide cash flow projections of receipt and disbursement activity; monitors federal cash management improvement act compliance for drawing federal funds; and oversees administration of the school bond loan program.

Authorities and Boards

MICHIGAN HIGHER EDUCATION ASSISTANCE AUTHORITY AND MICHIGAN HIGHER EDUCATION STUDENT LOAN AUTHORITY

Private Occupational Schools	*Term expires*
HOWARD WEAVER, Northville	May 22, 2005
Wayne State University	
FAYE NELSON, Troy	May 22, 2005
Community Colleges	
HARVEY BRONSTEIN, Southfield	May 22, 2007
DR. JUAN R. OLIVAREZ, Grand Rapids	May 22, 2005
University of Michigan	
CYNTHIA H. WILBANKS, Ypsilanti	May 22, 2006
State-Supported Four-Year Universities	
DR. CURTIS J. TOMPKINS, Houghton	May 22, 2003
KATHLEEN M. WILBUR, Okemos	May 22, 2006

MICHIGAN HIGHER EDUCATION ASSISTANCE AUTHORITY AND MICHIGAN HIGHER EDUCATION STUDENT LOAN AUTHORITY *(Cont.)*

Secondary Schools	*Term expires*
Doug Dodge, Shepherd	May 22, 2003
Private Colleges	
Julianne T. Princinsky, Flint	May 22, 2004
Jerry L. Scoby, Mount Pleasant	May 22, 2003
Eligible Lending Institutions	
James Barker, Rochester Hills	May 22, 2004
Michigan State University	
Donald Nugent, Frankfort	May 22, 2004
General Public	
Richard Fortier, Alpena	May 22, 2005
Sarah Richardville, Monroe	May 22, 2004
Stephen H. Terry, Williamston	May 22, 2006

ex officio

Jay B. Rising, State Treasurer

The **Michigan Higher Education Assistance Authority** was created by Act 77 of 1960 and was transferred to the State Board of Education by Act 380 of 1965 to assist in establishing policy for the many financial assistance programs offered by the Department of Education. It establishes policy for the Federal Family Education Loan Program, the Michigan Competitive Scholarship Program, the Michigan Tuition Grant Program, the Postsecondary Access Student Scholarship Program, the Michigan Work-Study Programs, the Michigan Educational Opportunity Grant Program, the Adult Part-Time Grant Program, the Michigan Nursing Scholarship Program, and the MI-SEARCH Program. In addition, the Authority has administrative responsibility for the Tuition Incentive Program, the Degree Reimbursement Program, the Federal Paul Douglas Teacher Scholarship Program, and the Federal Robert C. Byrd Honors Scholarship Program. The 15 members of the authority are appointed by the governor, with the advice and consent of the senate, to serve 4-year terms.

The **Michigan Higher Education Student Loan Authority** was established by Act 222 of 1975. Even though the Student Loan Authority membership is identical to the Assistance Authority membership, the two authorities are separate entities with different responsibilities and functions. The Student Loan Authority has policy control over three programs: the Michigan Direct Student Loan Program, the State Secondary Market, and the Michigan Alternative Student Loan Program (MI-LOAN Program). Program operations for all three programs are funded through the issuance of tax-exempt and taxable bond financings. Administrative functions are funded through the Federal Lenders Allowance authorized by the Federal Higher Education Act of 1965, as amended. All of the programs are self-supporting and receive no state appropriations.

Effective April 8, 1995, both the Michigan Higher Education Assistance Authority and the Michigan Higher Education Student Loan Authority were transferred from the Michigan Department of Education to the Michigan Department of Treasury, pursuant to Executive Order No. 1995-3.

MICHIGAN HIGHER EDUCATION FACILITIES COMMISSION MICHIGAN HIGHER EDUCATION FACILITIES AUTHORITY

Public At-Large	*Term expires*
William J. Cochran, East Lansing	May 22, 2006
Marylee Davis, East Lansing	May 22, 2003
R. Miles Handy, II, Redford	May 22, 2004
James Saalfeld, Grand Rapids	May 22, 2004
Carol A. Stockman, St. Joseph	May 22, 2006
Vacancy	May 22, 2003

MICHIGAN HIGHER EDUCATION FACILITIES COMMISSION
MICHIGAN HIGHER EDUCATION FACILITIES AUTHORITY *(Cont.)*

Public Community and Junior Colleges *Term expires*

ROBERT PARTRIDGE, Grand Rapids . . . . May 22, 2006

Private Colleges and Universities

GLENDA PRICE, Detroit. . . . . May 22, 2007

Public Colleges and Universities

JAMES N. GOENNER, Mt. Pleasant . . . . May 22, 2004

ex officio

THOMAS D. WATKINS, JR., Superintendent of Public Instruction
MITCH IRWIN, Director, Department of Management and Budget

The **Michigan Higher Education Facilities Commission** was established by Act 233 of 1964. The commission provides advice on the preparation and administration of the state plan for participation in the federal grant program, under the provisions of Title I of the Higher Education Facilities Act of 1963, Public Law 88-204, for the construction of undergraduate academic facilities at public community colleges, public technical institutions, and other private and public degree-granting institutions. Currently, the federal government is not funding the program.

The **Michigan Higher Education Facilities Authority** was created by Act 295 of 1969 to provide loans, through the issuance of tax-exempt bonds, to private nonprofit institutions of higher education within the state to finance educational facilities, including furnishings and equipment, and to refinance outstanding debt incurred for such purposes. The authority membership is identical to the Facilities Commission membership. The Facilities Authority was transferred from the Department of Education to the Department of Treasury in 1992 pursuant to Executive Order No. 1992-2.

The nine members of the commission and authority are appointed by the governor, with the advice and consent of the senate, for 4-year terms. Upon expiration of a term, a member may continue to serve until a successor is appointed.

MICHIGAN MUNICIPAL BOND AUTHORITY
BOARD OF TRUSTEES

JAY B. RISING, State Treasurer (Chairperson)

Serve at the Pleasure of the Governor

Public Officials or Employees With Expertise in State's Infrastructure Needs

DONALD B. WEATHERSPOON, Department of Education
VACANCY

Public Members *Term expires*

MARK J. BURZYCH, Okemos . . . . Jan. 1, 2004
M. DAVID CAMPBELL, II, East Lansing. . . . . Jan. 1, 2005

Nominated by the Senate Majority Leader

DONALD GILMER, Augusta . . . . Jan. 1, 2006

Nominated by Speaker of the House of Representatives

RICHARD LEBARON, Reed City . . . . Jan. 1, 2005

The **Michigan Municipal Bond Authority** was created by Act 227 of 1985 as amended to provide an alternative source of financing infrastructure projects and low-cost access to the public finance market to local units of government and school districts. The authority has all the powers necessary to accomplish this purpose, including the power to borrow money and issue bonds and notes.

The authority is governed by a 7-member board of trustees. The board consists of the state treasurer and two public officials or employees, appointed by and serving at the pleasure of the governor, who have expertise in the state's infrastructure needs. Of the four resident members appointed by the governor to serve 3-year terms, one is nominated by the senate majority leader and one is nominated by the speaker of the house of representatives.

MICHIGAN PUBLIC EDUCATIONAL FACILITIES AUTHORITY

JAY B. RISING, State Treasurer

Public Members	*Term expires*
YVONNE BLACKMOND, Southfield	March 18, 2004
MARK J. BURZYCH, Okemos (Chair)	March 18, 2006
ELDON G. HANCOCK, Lansing	March 18, 2005
TIMOTHY A. HOFFMAN, DeWitt	March 18, 2006

The **Michigan Public Educational Facilities Authority (MPEFA)** was created to take advantage of federal tax law and funding opportunities for public educational facilities, as defined by the Economic Growth and Tax Relief Reconciliation Act of 2001.

MPEFA is a public body corporate, located in the Department of Treasury, funded by user fees and dedicated to providing opportunities for low-cost financing and technical assistance for (i) qualified public educational facilities and (ii) public school academies through its bonding and loan programs. It is governed by a 5-member board of trustees, appointed by the governor, with the advice and consent of the senate.

MICHIGAN STATE HOSPITAL FINANCE AUTHORITY

Public Members	*Term expires*
DOROTHY E. DEREMO, Northville	March 1, 2006
ASAD M. MALIK, Rochester Hills	March 1, 2005
SUSAN WORK MARTIN, Grand Rapids	March 1, 2003
LOIS SHULMAN, West Bloomfield	March 1, 2006
VACANCY	March 1, 2005

ex officio

JAY B. RISING, State Treasurer
JANET OLSZEWSKI, Director, Department of Community Health

The **Michigan State Hospital Finance Authority** was created by Act 38 of 1969 to assist nonprofit, nonpublic hospitals and other health care providers within the state to finance and refinance health care and other related facilities and equipment through the issuance of tax-exempt bonds. The authority has all the powers necessary to accomplish this purpose, including the power to make loans to hospitals, nursing homes, and homes for the aged.

The five public members of the authority are appointed by the governor, with the advice and consent of the senate, for 4-year terms. Upon expiration of a term, a member may continue to serve until a successor is appointed. The other two members serve by virtue of their positions in state government.

Bureau of Local Government Services

The ***Assessor Certification Division*** provides the staff function for the State Assessors Board which provides training, examinations, certification, and annual updating for assessing personnel. It also receives and acts on revocation petitions filed against certified assessment administrators. There are 2,818 persons who hold certificates in assessment administration, serving 83 counties, 1,242 townships, and 274 cities.

STATE ASSESSORS BOARD

Serve at the Pleasure of the Governor

HENRY O. ALLEN, Flint
LISA A. HOBART, Birmingham
ROBERT R. LUPI, Whitmore Lake
MAXINE MCCLELLAND, Big Rapids
RAMAN A. PATEL, Ann Arbor

The **State Assessors Board** was created by Act 203 of 1969. The board consists of five members appointed by the governor, with the advice and consent of the senate. The members serve at the pleasure of the governor.

The responsibilities of the board are to review and approve assessment courses taught in schools, colleges, universities, and state and local government units, and to administer examinations to assessing officers to ensure competence.

The ***City Income Tax Section***, when there is an agreement between a city and the state, is responsible for the administration, enforcement, and collection of the city income tax on behalf of the city. In 1997, the state entered into its first agreement with the city of Albion.

The ***Local Audit and Finance Division*** provides officials of the state's approximately 2,200 local units of government with training and procedures to encourage sound fiscal management; conducts legal compliance audits of counties; reviews, in detail, CPA audits of cities, villages, and townships; monitors and approves deficit elimination plans of all local units; prepares audit guides for use by CPA firms; conducts financial audits requested by municipalities and counties; selects and monitors performing audits of all pari-mutuel tracks; and reviews qualifying statements and applications for the issuance of debt to ensure that the credit ratings of the local units of government and the state are protected. The revised Municipal Finance Act, Act 34 of 2001, took effect March 1, 2002, and significantly altered the way the Department of Treasury approved the issuance of debt by municipalities. Based upon the local unit's fiscal year end, for fiscal year 2002, 1,623 municipalities submitted qualifying statements. Of that amount, 1,348 (or 83 percent) were qualified, while 229 (or 14 percent) were not qualified. The remaining 46 (or 3 percent) are pending.

The ***Property Tax Division*** provides the staff function for the State Tax Commission which generally supervises local assessing officers and provides support in the determination of the state equalized valuations for each class of property for each county. There are over 1,500 assessing units in 83 counties which generated in 2001, through property tax levies, $10 billion for use by schools, municipalities, and counties. The division assessed 6,855 properties owned by the Department of Natural Resources in 2003. The division also assesses public utilities, as specified by law; these assessments yielded approximately $143 million to the state treasury in 2002. The division also administers the state's tax reversion process.

STATE TAX COMMISSION

	Term expires
A. T. FRANK, Saginaw (Chair)	Sept. 13, 2003
ROBERT R. LUPI, Whitmore Lake	Sept. 13, 2005
DOUGLAS B. ROBERTS, East Lansing	Sept. 13, 2007

The **State Tax Commission** was created by Act 360 of 1927. The three members of the commission are appointed by the governor, with the advice and consent of the senate, for 6-year terms. Upon expiration of a term, a member may continue to serve until a successor is appointed. Commission members must have at least five years of experience in government or the private sector dealing with state or local tax matters. The commission establishes the state equalized value for each class of property for each county total; prepares assessment rolls for state assessed public utilities; approves applications for exemptions for air and water pollution control facilities, neighborhood enterprise zones, and for industrial property abatements; adds omitted property to local assessment rolls and corrects erroneous personal property statements under MCL 211.154; certifies valuation and assessment of lands purchased by the Department of Natural Resources; assumes superintending control over uncertified local assessment rolls; and provides general supervision of all assessing officers. It also supervises the local implementation of the assessment cap instituted by passage of Proposal A on March 15, 1994.

Bureau of State Lottery

The ***Bureau of State Lottery*** was created by Act 239 of 1972. The lottery commissioner is appointed by, and holds office at the pleasure of, the governor.

The act provides that the commissioner shall initiate, establish, and operate a state lottery, maximizing net revenues consistent with the general welfare of the people. The commissioner further prescribes rules, regulations, and conditions as provided for by law, under which the state lottery is operated. Revenue from the operation of the state lottery, less operating costs, goes to the State School Aid Fund.

Act 382 of 1972 assigned the responsibility for licensing and regulation of organizations operating bingo games, millionaire parties, raffles, and selling charity game tickets, in accordance with the law, to the Bureau of State Lottery.

The bureau was transferred from the Department of Management and Budget as an autonomous entity to the Department of Treasury pursuant to Executive Order No. 1991-2.

The Bureau of State Lottery offices are located at 101 E. Hillsdale, P.O. Box 30023, Lansing, Michigan 48909.

MICHIGAN GAMING CONTROL BOARD

Public Members	*Term expires*
Rich Davis	Dec. 31, 2003
Geraldine Bledsoe Ford	Dec. 31, 2004
Roman S. Gribbs (Chair)	Dec. 31, 2003
Damian S. Kassab	Dec. 31, 2004
Michael Stacey	Dec. 31, 2006

On November 5, 1996, Michigan voters approved Proposal E, now known as the Michigan Gaming Control and Revenue Act, to authorize up to three licensed casinos in Detroit and create the **Michigan Gaming Control Board**. The board, an autonomous agency within the Department of Treasury, is responsible for implementing, administering, and enforcing the provisions of the act related to licensing, regulating, and collecting taxes and fees from the authorized casinos.