

POLICIES AND PROCEDURE MANUAL

Chapter:	Finance		
Title:	Public Act 2 Dollars Interest Allocation		
Policy: <input checked="" type="checkbox"/> Procedure: <input type="checkbox"/> Page: 1 of 1	Review Cycle: Biennial Author: Chief Financial Officer	Adopted Date: 09.06.2016 Review Date: 05.09.2023	Related Policies: Financial Management Use of Public Act 2 Dollars

Purpose

Per Public Act 206 of 1893, Section 24e, Paragraph 11, as amended, Mid-State Health Network (MSHN) receives liquor tax funds, also known as PA2 funds, from each of the counties in the region. The funds are for the expressed purpose of local use in treatment, intervention and prevention of substance use disorder (SUD) services. Interest earned on PA2 funds will be allocated to each county within MSHN’s region.

Policy

It is the policy of Mid-State Health Network that interest earned on PA2 funds during the fiscal year will be determined annually at September 30. MSHN earns interest on all revenue sources including, Medicaid, Healthy Michigan, Block Grant, and PA2. Interest attributable to PA2 will be allocated to each county proportionately based on fiscal year end balances. A financial report by county will be presented to the Substance Use Disorder Oversight Policy Board (OPB) designating the revenues received, disbursements made, and interest earned.

Applies to:

- All Mid-State Health Network Staff
- Selected MSHN Staff, as follows:
- MSHN’s Affiliates: Policy Only Policy and Procedure
- Other: MSHN SUD Oversight Policy Advisory Board

Definitions:

- CFO:** Chief Financial Officer
- MSHN:** Mid-State Health Network
- OPB:** Oversight Policy Board
- PA2 Funds:** Public Act 2 Liquor Tax Funds
- SUD:** Substance Use Disorder

References/Legal Authority:

Public Act 206 of 1893, Section 24e, Paragraph 11, as amended; MCL 211.24e
 Michigan Department of Health and Human Services Contract for
 1115 Behavioral Health Demonstration Waiver Program, the Health Michigan Plan and relevant approved
 Waivers (Children’s Waiver Program (CWP), Habilitation Supports Waiver (HSW), Serious Emotional
 Disturbance (SED))

Change Log:

Date of Change	Description of Change	Responsible Party
08.08.2016	New Policy	Chief Financial Officer
03.20.17	Annual Review	Chief Financial Officer
03.2018	Policy Update	Chief Financial Officer
03.2019	Policy Update	Chief Financial Officer
01.2021	Biennial Review	Chief Financial Officer
01.2023	Biennial Review	Chief Financial Officer