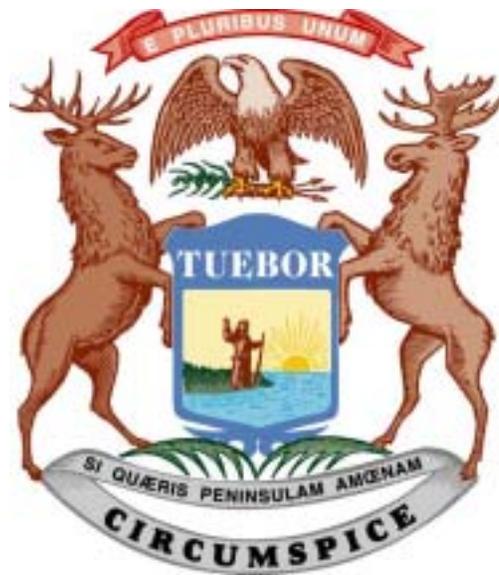


# *Governing for Results*



## **Living our Values**

Michigan's Cabinet Action Plan  
2005 – 2008

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## A Vision of Michigan

When Governor Granholm took office in 2003, she shared a bold vision for developing a cost-effective government that delivers the results that people demand – without wasting precious taxpayer dollars. She envisioned a government that ensures that Michigan is a place where businesses want to invest, people want to live, and families want to raise their children. Her vision is a Michigan where...

*...our children learn from cradle to grave, our workers are the best-educated in the nation, and our citizens have lifelong opportunities to learn*

*...we continue to build America, visionary companies settle to build tomorrow's technologies, and people want flock to our cool cities*

*...our state government delivers the best service in the most efficient manner, we serve our citizens, and the State of Michigan is a great work place*

*...we provide for the most vulnerable in our society, our citizens are healthy, and we hold the line on medical costs*

*... we protect our citizens from those who would do them harm, both foreign and domestic*

*...we preserve for our children our greatest God-given assets, our wondrous waters, towering timbers, and fruitful fields*

To help move Michigan toward her vision, the Governor cast the challenge to realign, redesign, and redefine the State of Michigan government. Our task demands excellence in every facet of government, not only in the results we achieve but also in how we work to achieve them.



## Our Shared Values

Two questions were asked of all of Michigan's executive branch employees, from student assistants to the governor's cabinet, in every corner of our state: What values do you hold most dearly in your professional and personal lives? And, what values do you see demonstrated in your work place? Their answers to these questions defined the values that are the basis for how we serve our citizens.

Employees selected four core values as their own: Integrity, excellence, inclusion, and teamwork. These values connect state employees as people and as a government in our pursuit of Michigan's future.

As Michigan moves forward and embraces new opportunities, government's need to live and work with the direction of these shared values has become increasingly clear. In order to reach this shared vision of Michigan, government must work together, as one.

**Integrity:** We say what we will do, and do what we say we will

**Excellence:** We get the job done, in a way in which both we and our citizens take pride.

**Inclusion:** We reach out to all of our citizens and employees in making the important decisions that affect all of our lives.

**Teamwork:** We must all work together to reach our fullest potential.



## Our Priorities

During the Governor's entire tenure in public service, her administration has continually reached out to understand the views and priorities of all of Michigan's citizens. The administration has held numerous "town hall" meetings to listen, in person, to what Michigan's citizens value most from state government. Governor Granholm and her administration have analyzed the results of numerous studies, including the annual "State of the State" surveys conducted by Michigan State University, to quantify what Michigan citizens expect from state government. Lieutenant Governor Cherry has reached out to educators, citizens, and businesses to learn exactly what government must do to advance Michigan's economy through improving children's education. And, the Granholm administration will continue to ensure that all of Michigan's voices are heard when establishing the role of government.

The administration, having heard Michigan's citizens speak, has established six priority areas upon which our goals and commitments focus. These priority areas are: Education, the Economy, Better Government, Health and Human Services, Hometown Security, and the Environment. "Governing for Results" ensures that all of state government efforts are working toward providing better services in these areas:

### Priority Area Goal

***Education*** Improve Student Achievement

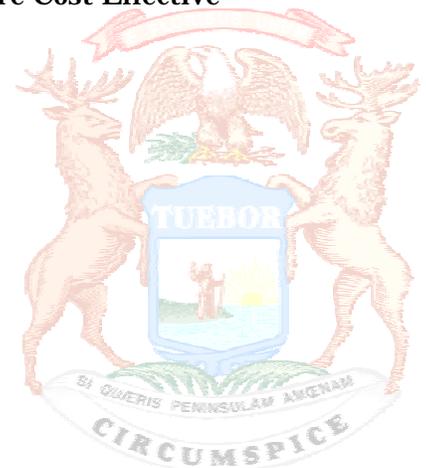
***The Economy*** Sustain and Create Business Investment and Jobs in Michigan

***Health & Human Services*** Make Michigan's People Healthier and Our Families Stronger

***Hometown Security*** Protect Our Citizens and Make Michigan's Communities Safer

***The Environment*** Enhance the Quality of Michigan's Natural Environment

***Better Government*** Make Government in Michigan More Cost Effective and Efficient



## Governing for Results

“Governing for Results” embodies our shared values. The State of Michigan has embraced this process at every step of the way, continually seeking better ways for state government to deliver the results most important to our citizens. The process to ensure that all state agencies were pulling in the same direction has evolved into a process where Michigan agencies are all pulling as one. The State of Michigan is “Governing for Results.”

## Realigning Government to Reach our Vision

### Charting the Course

In the summer of 2003, the governor chartered the first Cabinet Action Plan. The Governor’s Advisory and Planning (GAP) Team worked with management from each cabinet member’s management team to identify key agency business goals and the initiatives in progress that worked toward those goals. In developing the agencies’ business goals, the GAP team and management worked to ensure that the agencies’ business goals aligned to the state’s priority areas.

Upon completion of the agency plans, the GAP team analyzed the statewide portfolio of business initiatives, examining initiative alignment to the six priority areas, identifying risks and challenges associated with those initiatives, and highlighting the initiatives that involved the

collaboration of multiple agencies. The compiled portfolio formed the first Cabinet Action Plan, which was shared among all of the cabinet members and the Governor’s policy advisors. State agencies began using this living document as a means to learn more about what each agency was doing to contribute to bettering Michigan and to identify how state government can become more efficient.

### Family Resource Centers

Department of Human Services (DHS) workers have begun working on-site at high priority schools, coordinating human services needs for the families of students so that teachers can focus on doing what they do best – teaching. Bonita and Jerry Johnson know first hand, as the on-site DHS worker correctly identified their daughter’s behavior problems as a disguise for a learning disability. The DHS worker was able to resolve the human services challenges that prevented the student from an optimal learning experience.

*As of the end of 2004, 39 family resource centers have opened across the state to help thousands of students.*

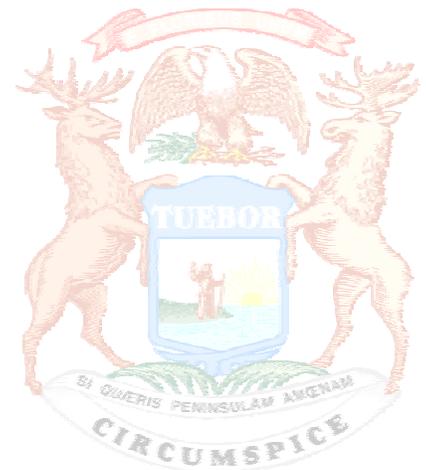
### Celebrating and Encouraging Teamwork

One of the most compelling lessons learned in the Cabinet Action Planning process was just how important it is for the agencies to work together to achieve common goals. The Cabinet Action Plan highlighted that each agency contributed in multiple priority areas, and that multiple agencies played parts in each others’ initiatives. More importantly, as the cabinet came to understand the “big picture” of Michigan government, the Governor and each cabinet member learned to identify areas in which state government could achieve more as a team than as individual agencies. The Governor used this lesson to celebrate the successes that multiple agency teams were enjoying. She also used this opportunity to issue the challenge to bust silos, encouraging her cabinet members to work in multiple-agency teams to tackle Michigan’s priorities.



## Managing Achievement

The Cabinet Action Plan is the tool citizens can use to hold the cabinet accountable for promises made. From the prioritized initiatives listed in the Cabinet Action Plan, cabinet members updated posted timelines during cabinet meetings. As target dates were passed, the cabinet celebrated successes and developed solutions to help address challenges encountered in meeting their targets. Additionally, every agency reported on a broader set of its priority initiatives each month so that the Governor and her policy staff could help them achieve success.



## Budgeting for Outcomes

The results of the Cabinet Action Planning process were clear – teamwork is necessary to deliver the best government. As much as the State of Michigan has accomplished, this administration saw an opportunity to do better. The governor asked the cabinet to stretch, to strive for excellence, to work together to determine exactly where Michigan should be in the future, and to bust silos to deliver the results Michigan citizens demand. Cabinet

### **e-License**

Thanks to the coordinated efforts of the Departments of Natural Resources and Information Technology, over 10,215 hunters were able to apply for and purchase their permit to go Bear hunting online this year.

*Today, many state licenses are available on-line with 24/7 access, enabling citizens to use state services anytime from anywhere.*

agency planning would become more inclusive, more proactive, and more focused than ever as the cabinet joined forces in Budgeting for Outcomes.

### **Thinking Outside of the Box**

In the fall of 2004, the Granholm Cabinet convened to develop a new, collaborative approach to aligning the resources of Michigan's government with the outcomes citizens demand. The cabinet heard the voices of the citizens of Michigan, which are routinely captured by the

Institute of Public Policy and Social Research (IPPSR) at Michigan State University. The cabinet learned from Brookings Institution's Bruce Katz about the key factors that drive economic prosperity. The cabinet envisioned Michigan's future as Kurt Metzger of Wayne State University's Center for Urban Studies presented a vision of how Michigan's citizens will look in the future.

With a clearer understanding of what they needed to do to reach the Governor's vision of a better Michigan, the cabinet members and key policy experts convened in priority area work groups to further define where Michigan is going and how to get there. The Governor worked from group to group, asking each member to think outside of their silo and work together to determine the best direction for state government to succeed in each priority area. The teams set stretch goals for the priority areas and laid a foundation of teamwork and inclusion upon which Budgeting for Outcomes is built.

### **Priority Area Work Groups Establish the Framework**

Tasked with lofty goals, priority area work groups convened for several months to establish what the State of Michigan can do to achieve more with the resources the citizens are willing to invest. Priority area work groups consisted of cabinet members, key staff, subject matter experts, departmental budget liaisons, and representatives from the Office of the State Budget. The teams leveraged the knowledge of all members to develop detailed plans for Michigan's future.

They began working by establishing a common framework around which budget plans would develop. From the targets established by the cabinet, the work groups developed a goal for serving the citizens in each priority area. To specify what each goal required the work groups established strategies for attaining each goal. For each strategy, the work group detailed indicators of success to which they assigned measurable targets. This framework guided the tough decision of what results state government will deliver.

## Choosing the Best Activities for Moving Michigan Forward

With the goal and strategy framework in place, each agency developed a detailed analysis of all of its current and proposed activities. Departments analyzed not only current activities, but also the new activities that captured the innovative ideas developed by the priority area work groups. Each activity analysis captured its costs and benefits as well how it aligned to the goal and strategy framework.

The priority area work groups convened to compare the analyses of all of the activities aligned to each priority area. Activities were ranked by how efficient each was in delivering the citizen benefits captured in the strategies. While each activity delivered valuable benefits to Michigan's citizens, the reality of Michigan's fiscal situation required a closer look.

## Establishing what the Citizens will Buy

As the priority area work groups ranked activities by the results they delivered, the Office of the State Budget and Department of Treasury determined how much Michigan citizens and businesses were willing to spend by establishing an estimate of revenues for the budget year. Within this cost constraint, the cabinet determined how much state government would spend on each priority and "drew the line." Activities remaining above the line will be pursued, while activities below the line will be delayed until they can be done more efficiently or they become a higher priority to the citizens.

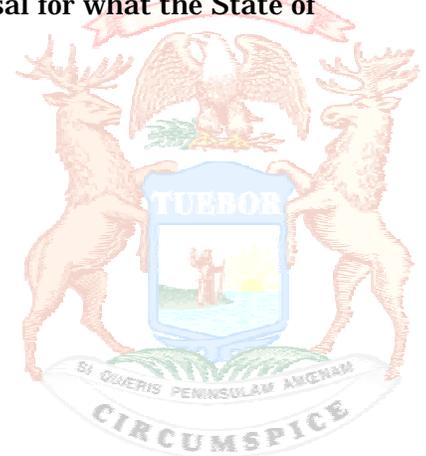
## Michigan's 2005-06 Executive Budget

This process resulted in all departments working together to identify a better way to achieve what the citizens really want. Each department has aligned its actions to play a part in delivering the right results, contributing what it can while leveraging the strengths of others. The results of this unprecedented cooperation are published in the 2005-06 Executive Budget Book, which outlines Governor Granholm's proposal for what the State of Michigan will do in the coming budget year.

## Zero Tolerance for Felons with Guns

The Michigan Department of Corrections, in conjunction with many local law enforcement and police agencies, is working hard to help make the cities and communities of Michigan safe. Since July 2004, any parolee proven to be in possession of a firearm or with a person in possession of a firearm has been returned to prison for a period of 5 years or the maximum allowed by the sentence. While the Department of Corrections has warned and educated all of the convicted felons under their jurisdiction of the consequences of being around firearms, some offenders have not responded as expected.

*As of May 16, 2005, there have been 59 parole violators who have had their parole revoked and have been returned to prison for 5 years or the balance of their sentence..*



## Delivering Results: The 2005 Cabinet Action Plan

Having identified the results Michigan needs to achieve, state government has taken action to ensure that it delivers on the commitments promised. Governor Granholm insists on excellence – government will deliver the results in which citizens invest their hard-earned tax dollars. The 2005 Cabinet Action Plan outlines exactly what the State of Michigan will do to ensure that it delivers on these commitments.

### Translating our Activities to Commitments

In the past, managing agency operations would have focused on the performance of those activities assigned to the agency. However, if government is to excel, it must instead focus on the commitments that have been made to our citizens. A list of the highest priority commitments that have been made to Michigan citizens is identified in this Cabinet Action Plan. It is important to maintain focus on delivering the results to which has been committed, using the agencies' budgeted activities as means to achieve those ends.

### Measuring our Commitments

In the process of developing the budget proposal, the agencies associated measurable outcomes with the strategies. As the priority area work groups focused agency actions

#### MiDEAL

The State of Michigan, as one of Michigan's largest purchasers of goods and services, is able to negotiate very favorable volume discounts. The MiDeal program enables local units of government and Michigan's educational institutions to take advantage of these cost savings by purchasing via the State's contracts. The State of Michigan is reaching out to save tax-payer money throughout all levels of government.

*Between 2003 and 2004, 79% more governmental and educational agencies saved money by using the state's negotiated prices.*

around those commitments, the Governor's Advisory Planning (GAP) team sought to develop tools with which the administration can measure our progress toward making Michigan the best place to live and work. The agencies, the GAP team, and the Governor's policy office have worked diligently to ensure that state government can measure the progress toward each commitment.

Each commitment has associated expected outcomes and milestones. Expected outcomes are the benefits our citizens and our state government will realize. Each outcome is measurable – not just stating that we will make progress, but defining indicators of

success for each commitment. One of the agencies involved will be primarily responsible for ensuring that Michigan reaches each targeted outcome by the target date. These outcomes arm the cabinet with the tools to evaluate whether or not government is doing the right things to deliver results to Michigan citizens.

Each commitment also has associated milestones. While the expected outcomes for some commitments may not be immediately realized, government must continue to ensure progression. Each agency will be responsible for reaching milestones by target dates. Milestones give the cabinet tangible targets on which to focus to ensure that they are on course to deliver the expected outcomes.

All of the commitment outcomes and milestones track how government is doing in achieving the indicators of success defined in the Budgeting for Outcomes process. It is important to frame today's actions in the context of making Michigan's vision a reality. Each agency plays a role in moving Michigan forward, and it is important to realize the part that each one plays in the larger orchestrated effort.

### **Next Steps: Continued Accountability**

The State of Michigan must ensure the highest standards of excellence and integrity by continuing to track and monitor the expected outcomes and milestones listed in the Cabinet Action Plan. Agencies will report monthly on the status of each of the outcomes and milestones to which they have committed. This will provide the citizens a tool for monitoring progress, enabling her to identify and remove roadblocks so that government can deliver results.

Additionally, the cabinet will continue to track its major milestones and accomplishments in the cabinet meetings, allowing opportunities to celebrate our successes and develop collaborative solutions to challenges that arise. The State of Michigan will continue to function as one team while ensuring that each agency plays its part.

### **Expand Virtual Education**

A group of 40 seniors at Oak Park High School were short an English credit last year. Their solution was to turn to the growing number of online courses offered by Michigan Virtual High School. Working with Kristi Bush, their online instructor from Shepard, MI, and her teaching assistant, Alexandra Kloster, who lives in Elk Rapids, these students logged on at home, school, the public library, or any other place with Internet access, and were able to earn the one English credit that they were lacking in order to meet their high school's graduation requirements.

Kristi was so proud of their accomplishments that she surprised her students by traveling to Oak Park and attending their graduation. "We all worked hard to ensure that the students met the course requirements and earned their final credit. It was all worth it to watch them walk across the stage and graduate with their class. That is what online education is all about--the success of Michigan students!"



## Defining Our Priorities

“Governing for Results” means one thing above all else – The State of Michigan will deliver results to its citizens. Being able to incorporate citizens’ demands into planning the Executive Budget through Budgeting for Outcomes and now the Cabinet Action Plan, state government will deliver the results citizens want.

Building on the citizen input received in prior years, six cross-disciplinary work groups identified goals to reflect what citizens most want from state government. Ultimately, Governor Granholm adopted six goals as her commitment to the people of Michigan.

### State of Michigan Goals



#### Education - Improve Student Achievement

Making sure every child comes to school ready to learn, improving K-12 education, and expanding opportunities for higher education and lifelong learning



#### The Economy - Sustain and Create Business Investment and Jobs in Michigan

Making government fiscally responsible, growing Michigan’s economy while maintaining our critical infrastructure, and protecting Michigan consumers



#### Health and Human Services - Make Michigan’s People Healthier and Our Families Stronger

Expanding access to health care and lowering its overall cost



#### Hometown Security - Protect Our Citizens and Make Michigan’s Communities Safer

Making Michigan communities safer and improving homeland security efforts



#### The Environment - Enhance the Quality of Michigan’s Natural Environment

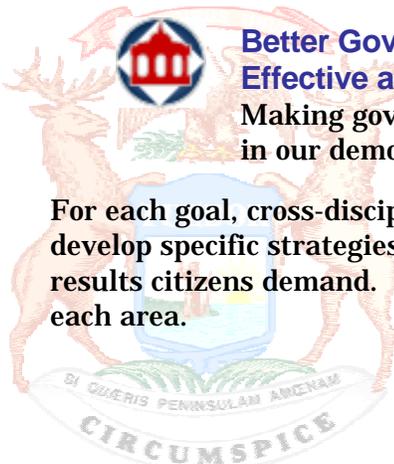
Protecting our natural resources and air quality, and improving our land use practices



#### Better Government - Make Government in Michigan More Cost Effective and Efficient

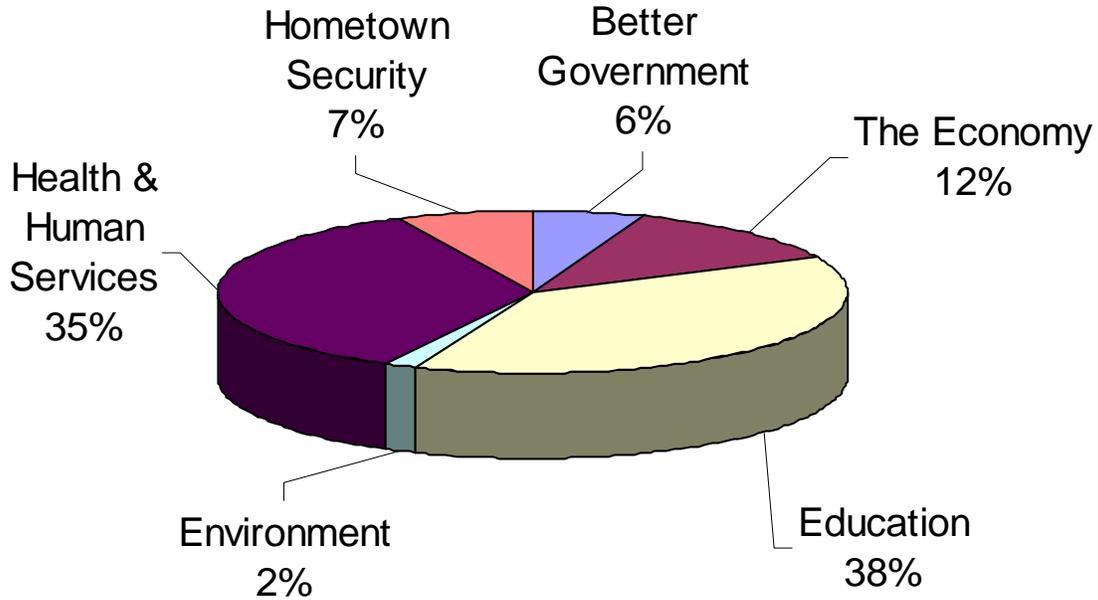
Making government effective and efficient, and include all of our citizens in our democratic processes

For each goal, cross-disciplinary workgroups were identified and worked together to develop specific strategies to guide Michigan’s actions and focus on activities that deliver results citizens demand. Indicators of success were identified to measure the progress of each area.



Total Spending Per Priority Area (2006 Executive Budget Recommendation)

2006 Executive Budget Recommendation





**EDUCATION**  
**Improve Student Achievement**

Help schools achieve high standards through improved plans and assessment tools, and ensure resources and programs are available to allow students and schools to succeed. Support and initiate programs that create an environment where students, parents, mentors, educators, and communities are partners in all aspects of educating children, from birth through high school, and where higher education is valued, accessible, and affordable.

As part of the Cabinet Action Plan and budgeting for outcomes process, the Governor reviewed and prioritized all educational services supported with taxpayer dollars – child care and early childhood learning, K-12 education, support for colleges and universities, higher education financial assistance, and adult learning opportunities. The Governor’s budget for fiscal year 2006 recommends total spending for educational services \$15.7 billion, of which over \$2.1 billion is general fund. This represents more than 38 percent of the total state budget. There are over 160 activities in 12 state departments that support the student achievement goal.

**Strategies to Achieve Goal**

- § Increase access to quality early childhood education and child care programs available to all Michigan children.
- § Increase the number of Michigan schools achieving significant progress in mathematics, reading and writing, attendance, and graduation rates.
- § Increase the number of high school students who qualify for college or advanced study.
- § Double the number of students who attain college degrees and other marketable credentials.
- § Improve access to lifelong learning opportunities for all citizens.
- § Improve access to a safe and supportive learning environment by promoting positive student behaviors and by increasing participation in health and nutrition programs.

**Indicators of Success**

- § Improved student test scores
- § Reduced gaps in student achievement
- § Increased participation in rigorous high school curriculum
- § Increased High School Graduation Rate
- § Increased number of high school students entering college
- § Increased number of college degrees/credentials



## Commitments for the Success of Student Achievement

### Improve Student Achievement

#### Improving Redesign High School Education in Michigan

This commitment will work with the Legislature to raise the drop out age, identify effective professional development for high school teachers and administrators that provides them with strategies and resources to help all high school students succeed, increase dual enrollment and the courses offered by Michigan Virtual High School.

#### Strengthen Michigan Educational Assessment System of testing and reporting

Replace the current MEAP High School Assessment exam with one that doubles as a college entrance exam.

#### Improving Teacher Quality

This commitment will work to ensure a highly qualified teacher in every program.

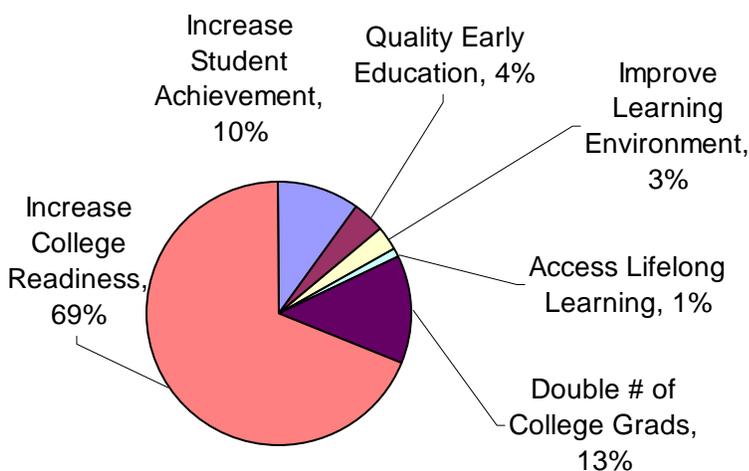
#### Models of Regional Cooperation

The Governor recommends a \$200,000 grant to a group of intermediate districts to develop models for regional cooperation in the delivery of school management functions. Beginning in fiscal year 2007, districts will have to be members of intermediate district management consortia in order to receive all of their funding.

*“There is a strong correlation between the educational level of a state’s workforce and its economic vibrancy. States that educate and nurture creative talent and build and maintain the necessary higher education infrastructure to attract venture capital and research dollars will create the multiplier effects that grow and sustain industries in the new economy. These states will be the leaders in the competition for jobs and income growth.”*

Lt. Governor’s Commission on Higher Education and Economic Growth (Dec. 2004)

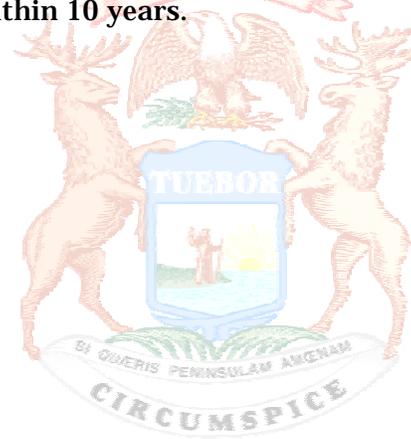
## Education Spending



Total: 15.7 Billion

### New Merit Scholarship

The Governor is raising the bar to ensure that every child in Michigan has the opportunity to attend college by guaranteeing \$4,000 scholarships to students who complete two years of college or the equivalent training or certification program. The goal is to double the number of students completing the associate's degree or equivalent within 10 years.





## THE ECONOMY

### Sustain and Create Business Investment and Jobs in Michigan

Michigan's economic engine is fueled by strong business and entrepreneurial investment, the existence of a ready, skilled and dedicated workforce, and effective infrastructure and mobility systems that support and promote commerce. Governor Granholm is targeting resources to each of these areas to sustain and create business investment and jobs in Michigan now and in the future. The Governor's Jobs Today and Jobs Tomorrow economic plan focuses on short-term stimulus and long-term diversification, growth and revitalization strategies to lead Michigan forward in the 21st century.

The economy work group developed six strategies dedicated to the goal of sustaining and creating business investment and jobs in Michigan, and ranked activities in a manner consistent with the Governor's Jobs Today and Jobs Tomorrow plan and overall economic development priorities. Programs integral to this goal encompass 97 activities in nine agencies. The Governor's Executive Budget Recommendation for economy programs totals \$5.02 billion gross, \$89.8 million general fund, representing 12.2 percent of the total recommended budget for fiscal year 2006.

#### Strategies to Achieve Goal

- § Retain and strengthen Michigan's existing manufacturing, agriculture and tourism base by creating new jobs.
- § Increase the number of non-auto related jobs in Michigan.
- § Provide more job training to Michigan workers focused on career opportunities of the future.
- § Continue to grow Michigan's core communities as diverse, safe and healthy talent centers.
- § Use the power of technology to link every community to economic opportunity by making high-speed Internet available to all Michigan households and businesses.
- § Keep Michigan's people and commerce moving by improving our roads and bridges and by increasing highway safety

#### Indicators of Success

- § More jobs created and retained in Michigan
- § More business start-ups and new capital investment in Michigan
- § Increased personal income levels for Michigan citizens
- § Increased numbers of highly trained and skilled workers
- § Increased tourism in Michigan
- § Better roads and highways



## Commitments which will Grow Michigan's Economy

### Sustain and Create Business Investment and Jobs in Michigan

#### Jobs for Michigan Fund

Jobs for Michigan Fund, is a \$2 billion bond proposal that will create 72,000 jobs, as a key component of my comprehensive plan to restart and reshape Michigan's economy. This proposal calls for an unprecedented investment in Michigan's economic future. The state must propel forward as the nation's epicenter of alternative energy research, a leader in the biotech industry and a hotbed for homeland security innovation, while maintaining our leading role in advanced manufacturing.

#### Michigan Opportunity Partnership - Job Training Rapid Response

The focus of the MiOpportunity Partnership is to rapidly place 30,000 unemployed Michigan residents in jobs. This commitment will: place 30,000 unemployed people into jobs by the end of the year, contact 35,000 employers to identify job openings, and will accelerate training for jobs in healthcare and skilled trades.

#### MI-Opportunity Partnership

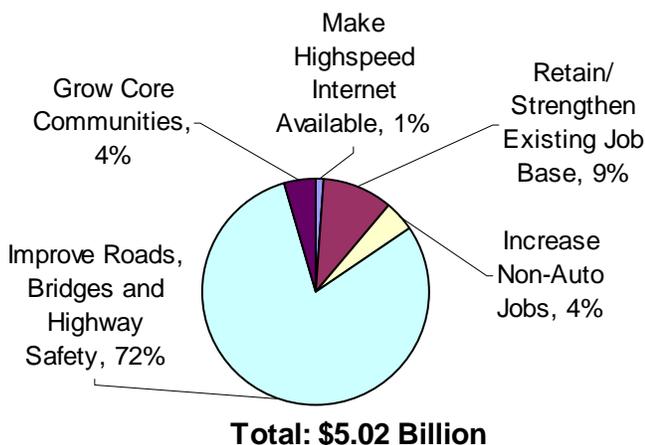
In an effort to conduct immediate, rapid-response training to quickly and comprehensively train and place out-of-work citizens, the Governor is implementing the MI-Opportunity Partnership. This is a collaborative and extremely focused effort with three main priorities:

1. Connect 30,000 unemployed Michigan workers to existing job opportunities by the end of 2005;
2. Connect 35,000 Michigan employers this year to identify immediate job openings and;
3. Provide targeted health care training for health care job vacancies.

#### Jobs Today Initiative

The Jobs Today Initiative makes an unprecedented investment in Michigan's economic future. It is designed to put tens of thousands of Michigan residents to work. The infusion of public and private investment in Michigan over the next three years will jumpstart the state's economy and have dust flying at construction sites all across the state. This initiative will specifically work at creating jobs in several key areas: renovating higher education and state facilities, accelerating road and bridge repairs, cleaning up polluted sites, building additional affordable housing projects in communities, and renovating aging long-term care facilities.

#### Economy Spending



#### Michigan Jobs and Investment Act

The Michigan Jobs and Investment Act is a bold proposal to make Michigan's business tax structure more attractive for job providers. This is the most significant business tax restructuring since the enactment of the SBT 30 years ago. This act will encourage existing major employers to keep and grow jobs in Michigan, cuts small business taxes and helps them grow, helps the state attract the technology and research jobs that will grow Michigan's economy in the future, and provides incentives to businesses to invest and expand in facilities and equipment in Michigan.



### **Cool Cities**

The Cool Cities initiative is designed to help foster the development of vibrant, attractive cities and urban centers. In 2004, 19 cities were awarded a catalyst grant up to \$100,000 and other development tools. In 2005, more Michigan cities than ever will be active participants in this effort to revitalize Michigan urban neighborhoods by making them more attractive places for people – especially knowledge workers and younger people -- to live, work and play. It is expected that 30 additional Cool Cities will be award designations this year.

### **Michigan Food Policy Council (MFPC)**

The MFPC was created to foster a safe, healthy and available food supply to all of Michigan's residents while expanding on the state's agricultural diversity to foster vibrant economic development.





## HEALTH AND HUMAN SERVICES

**Make Michigan's People Healthier and Our Families Stronger**

In order for Michigan to be a great place to live and work, we must improve the health of our citizens and strengthen our families. The Governor's recommended budget for fiscal year 2006 proposes Health and Human Services spending of \$14.5 billion of which \$3.9 billion is general fund. 140 activities in 10 departments support this goal.

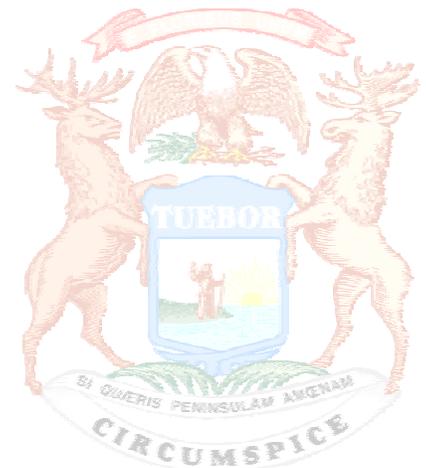
Access to quality health care for all Michigan residents is a priority goal of our state government. We will do whatever we can to expand access to health care – from helping seniors pay the high cost of prescription drugs to finding new ways to provide health insurance to Michigan's children. State government will inspire Michiganders to live healthy lives and strive to remove any barrier – whether it is cost, lack of information, or bureaucratic mismanagement – that prevent them from achieving that goal.

### **Strategies to Achieve Goal**

- § Increase the number of insured children and preserve existing health coverage for adults.
- § Provide medical, mental health, substance abuse and long-term care services to low-income children, families, the elderly, veterans and the disabled.
- § Reduce the number of children living in poverty.
- § Reduce the number of children in the child welfare system.
- § Prolong life and protect the public health by promoting the State Surgeon General's "Prescription for a Healthier Michigan" to reduce obesity and prevent teen smoking.
- § Ensure that Michigan's vulnerable citizens have access to prevention and early intervention services.
- § Improve the delivery of health and human services by lowering overall costs, improving technology and streamlining the way work gets done.
- § Improve Michigan's patient safety and health care by increasing the number of health care providers engaged in quality improvement programs.

### **Indicators of Success**

- § Fewer children living in poverty
- § Fewer children placed in out-of-home care
- § Increased percentage of children with health coverage
- § Reduced cigarette usage among youth and adults
- § Improved health indicators for Michigan residents
- § Lower infant mortality rates
- § Improved access to quality health care



## Commitments to Build Healthy Families

Make Michigan's People Healthier and Our Families Stronger

### Expand Affordable Healthcare

The Michigan Department of Community Health will implement an organized approach to addressing the issue of access to affordable health insurance. Michigan has secured a HRSA State Planning Grant to initiate this project. This initiative will allow Michigan to understand the scope of the problem and develop a statewide framework to explore community-based public/private partnerships with the intent of selecting several of the most promising options for implementation during the year immediately following production of the final report to the Governor.

### Mi-Rx

Today, more than 25,000 Michigan citizens are benefiting from a new state program that reduces the cost of prescription drugs. All residents currently without prescription coverage who qualify would be able to use their discount prescription card at more than 2,300 pharmacies statewide. This program saves working families, seniors and other Michiganders as much as 20 percent on the cost of their prescription drugs.

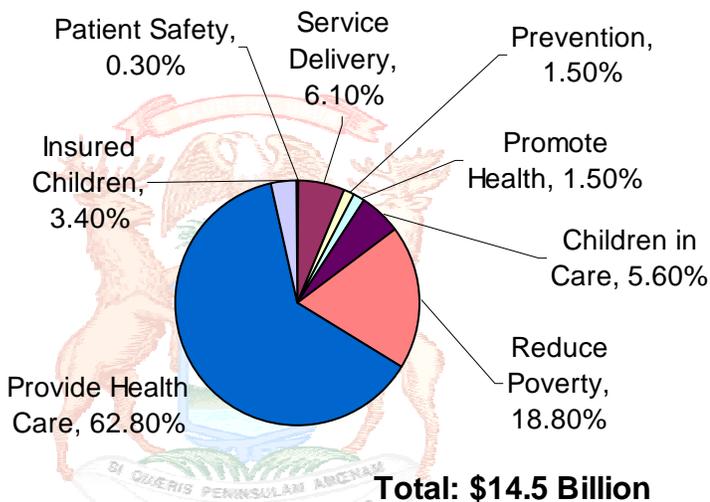
### Long-Term Care

The Long Term Care initiative is comprised of several sub-initiatives, whose goal is to improve Long Term Care services. Included in this effort is the establishment of Governors Long Term Care Task Force as well as the Elder abuse Task Force. Ultimately this will enhance elder care and extend the time that elderly citizens can stay in their homes.

### Early Childhood Incentive Corporation (ECIC)

ECIC is a new non-profit corporation that will coordinate state and local efforts to promote early childhood development. Specifically, ECIC will establish standards and guidelines for early childhood development activities that will be implemented throughout the state by the ECIC in partnership with local intermediate school districts (ISDs). This initiative will make Michigan a national leader in early childhood issues. This special purpose intergovernmental entity is focused on early childhood issues and will work to break down silos and improve the efficiency of state programs.

### Health and Human Services Spending



### Prescription for a Healthier Michigan: Michigan Steps Up

Over the last decade, Michigan has experienced unnecessary increases in infectious and chronic diseases driven largely by unhealthy lifestyles. To address these issues, the Surgeon General issued a Prescription for Michigan's Health, identifying key initiatives to reverse these trends. These activities include leadership in the following areas: obesity and physical inactivity; smoking, especially teen smoking; lead poisoning of children; prevention of unintended pregnancy; infant mortality; and reduction of disparities in minority health status.



## HOMETOWN SECURITY

**Protect Our Citizens and Make Michigan's Communities Safer**

Whether the threat is posed by international terrorists or common criminals, our state government is committed to protecting the peace and security of Michigan's communities. We will play a strong coordinating role with both local governments and federal authorities to make sure that Michigan is ready to face the uncertainties of our times. We will pay particular attention to the security of our state's international borders so that these trade corridors remain open to the critical flow of goods and people.

Protection of Michigan's residents is a top priority and a core function of state government. Hometown security requires a balanced spectrum of state activities from street-level public safety programs at the Department of State Police, to military preparedness of the Michigan National Guard, to the incarceration of the state's most dangerous felons. The Governor's proposed budget for fiscal year 2006 recommends total funding of \$2.92 billion, of which \$2.22 billion is general fund, to protect our citizens and make Michigan communities safer. There are over 92 activities, in 12 departments, which support this goal.

### **Strategies to Achieve Goal**

- § Reduce crime in Michigan.
- § Protect Michigan's citizens and communities by operating safe and secure prisons.
- § Improve homeland security by integrating resources from the State Police, local law enforcement, the Army/Air National Guard, and other agencies to ensure an effective and coordinated response to threats.
- § Improve overall public safety by reducing serious traffic accidents; improving parolee supervision in the community; and upgrading Michigan's criminal justice information systems.

### **Indicators of Success**

- § Reduction in traffic deaths and serious injuries
- § Reduction in serious crime
- § Fewer parolees returned to prison because they commit additional crimes
- § Improved state and local preparation to deter and respond to disasters or terrorist acts
- § More crimes solved and offenders arrested
- § More offenders successfully treated in community settings



## Commitments to Protect our Communities

Make Michigan's People He Protect Our Citizens and Make Michigan's Communities Safer

### Protect S.A.F.E. Streets (Statewide Apprehension of Fugitives Effort)

Michigan State Police, the Department of Corrections and local law enforcement agencies from across the state are working together to arrest serious fugitive parolees. Last year a total of 764 offenders were arrested and taken off the street through this effort.

### Border Crossing

The Border Crossing initiative will help secure our roads and bridges at sensitive points across Michigan's borders. It will provide equipment and training to enhance bridge security based on transportation homeland protection strategy.

### Project C.L.E.A.N. (Cleaning Expressways and Neighborhoods) Streets

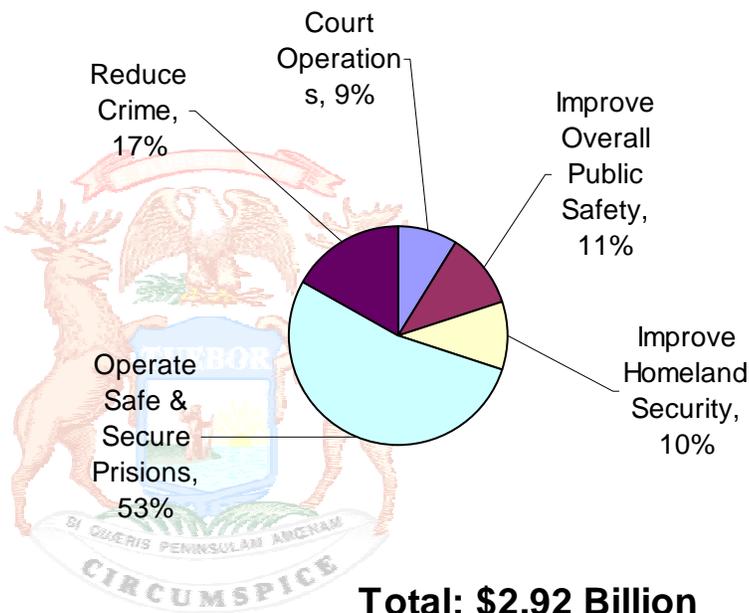
This project is a new effort to use minimum security offenders, housed in the state's corrections system, to pick up litter and beautify Michigan's highways and neighborhoods. Project C.L.E.A.N. will help the state focus on some statewide spring cleaning. During the program, approximately 23,000 offenders will contribute more than 600,000 hours of cleaning Michigan's city streets, parks, county roads and highways. In

### Operation Perfect Game / Operation Vigilant State

Operation Perfect Game was a mass casualty exercise throughout Detroit, MI. This project utilized armed forces and first responders to respond quickly to possible chemical attacks at Comerica Park to prepare for the All Star Game. Operation Vigilant State was a joint effort between Michigan National Guard, Michigan State Police and local law enforcement agencies to protect the State of Michigan by ensuring proper coordination of enforcement, assets, and technology. These two exercises are part of an on-going effort to ensure that are families, airports, roadways, and economy are safe throughout Michigan.

2004, over 50,000 bags of trash was collected and over 6,000 miles of roadways were cleaned.

## Hometown Security Spending



### Training of 15,000 Volunteers to Assist First Responders in Disaster Situations

The Michigan Citizen Corps help communities coordinate volunteers to prepare for and respond to local emergencies. By 2007, all 15,000 will be trained. Approximately 5000 volunteers are currently trained. Classes are still in session and numbers of trained volunteers are continuing to increase.



## THE ENVIRONMENT

### Enhance the Quality of Michigan's Natural Environment

Our state government is committed to intelligent and effective stewardship of the God-given wonder of our natural environment. We will protect the quality of the air we breathe and the quality of our water, from the mightiest of the Great Lakes to the tiniest stream. We will manage our land so that the inevitable growth of our communities will respect the green space that contributes so much to Michigan's quality of life. As a manufacturing state, we will insist that our pursuit of economic growth goes hand in hand with the protection of Michigan's environment.

The State of Michigan is committed to the conservation, protection, management, use, and enjoyment of the state's natural resources for current and future generations. Michigan has 11,000 inland lakes, 36,000 miles of rivers and streams, and 3,000 miles of freshwater shoreline. Numerous park and recreation areas enable Michigan's citizens and visitors to enjoy outdoor recreation in a fun and safe environment on public lands and waters while benefiting the state economy. Michigan lands also yield several agricultural products which rank #1 nationally in the state's second largest industry – agriculture production.

Efforts to enhance the quality of Michigan's natural environment encompass 195 activities in 6 departments. The Governor's proposed budget for fiscal year 2006 recommends total environmental funding of \$680 million, of which \$60.6 million is general fund.

#### Strategies to Achieve Goal

- § Make the Great Lakes and Michigan's natural resources cleaner, safer and healthier.
- § Protect and preserve more open space, farmland, forestland, and public land.
- § Prevent, control or eradicate plant and animal diseases and pests that threaten our health, environment and economy.
- § In order to foster both environmental performance and economic growth, reduce the time it takes to issue environmental permits.
- § Enhance outdoor recreation and increase use of state facilities, parks and state sponsored recreation.

#### Indicators of Success

- § Improved trends in fish and wildlife populations
- § Increase in acres of farm, forest and public land protected from development
- § Reduction in plant and animal diseases
- § Increased use of Michigan's state parks and forests
- § Improved trends in air and water quality
- § Faster issuance of environmental permits without compromising standards



## Commitments to Enhance our Environment

### Enhance the Quality of Michigan's Natural Environment

#### Energy Efficiency and Clean Technology Initiative

This initiative is working to promote energy efficient and clean technology business practices in Michigan businesses to control energy costs, and improve business competitiveness; it is examining how to create incentives to support and attract clean technology companies to Michigan; and how to support research and development of clean technology, and promote commercialization of this technology by Michigan companies

#### Prevention of Childhood Lead Poisoning

The DEQ is expediting investigation and cleanup of suspected lead smelter sites in the City of Detroit, to determine if releases from those sites pose unacceptable exposure risks in adjacent residential areas, and is also participating in the Department of Community Health's Interagency Task Force for the coordination of childhood lead poisoning, preventions, and control strategy.

#### Comprehensive Water Strategy

The DEQ and the Office of the Great Lakes are working together to create and implement a comprehensive program to protect and regulate uses of water. The initiative involves multiple elements to develop a comprehensive state water management plan and protect the Great Lakes and Michigan's inland lakes, streams and wetlands from pollution, impairment, or destruction.

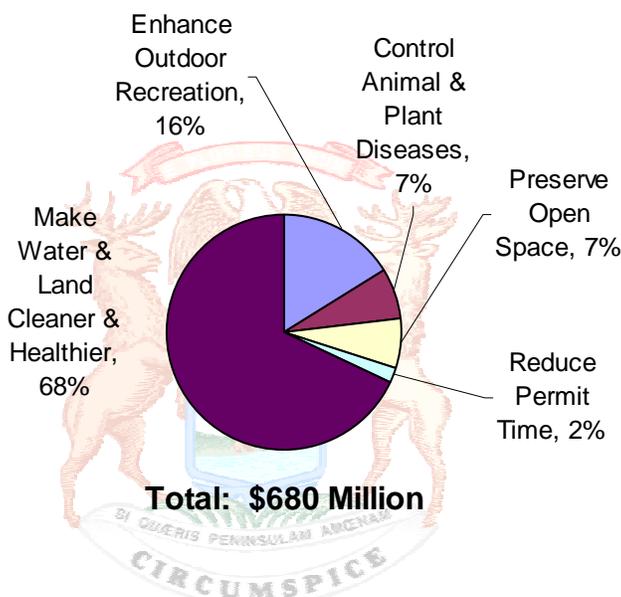
#### Big Upper Peninsula (UP) Deal

In January of 2005, the State of Michigan joined with the Nature Conservancy the foundation community and The Forestland Group to announce a deal to protect more than 271,000 acres in the Michigan Upper Peninsula. Through this deal, 248,000 acres will be protected through a working forest conservation easement, the largest of its kind in the country, and the acquisition of 23,338 acres that will guarantee public access on these lands forever.

*This agreement includes:*

1. More than 300 natural lakes
2. 192 miles of Class 1 trout streams
3. More than 52,000 acres of wetland

#### Environment Spending



#### Gasoline Inspections

Michigan is working to ensure that all citizens get what they pay for at the pump. In the coming year, the State of Michigan is working to complete a risk-based quality and quantity inspections at 25 percent of licenses retail outlets.

#### Solid Waste Strategy

Will ensure adequate and reasonable disposal capacity is available in the state for use by Michigan's residents without creating excess capacity and will lead to a more effective and comprehensive approach to solid waste management. It will do so by reducing waste generation, diverting materials from disposal, ensuring appropriate disposal capacity, and applying safeguards to protect public health and the environment when disposal does occur.



## BETTER GOVERNMENT

### Make Government in Michigan More Cost Effective & Efficient

Our state government will be open to the citizens of Michigan, responsive to their needs and fiscally responsible. We will honor the public's trust by delivering government service that is efficient, effective and consistent with high ethical standards. We will provide employees with a great workplace that respects their values and commitment to public service and challenges them to create a government that strives for and achieves excellence in all it does.

To better serve its citizens, the State of Michigan must be more cost effective and efficient. In tight budget times, the need to focus on better government is particularly critical. The budget recommendation proposes funding of \$2.38 billion, of which \$466.3 million is general fund. Revenue sharing payments to local units of government are maintained at \$1.1 billion of this overall total.

#### ***Strategies to Achieve Goal***

- § Keep the checkbook balanced, put money away for the future, and demand results for every taxpayer dollar we spend.
- § Cut red tape in state government by streamlining services and implementing innovative technology to reduce time, mistakes and costs.
- § Frugally manage the workplaces, tools and equipment used to run state government and continue to cut government costs.
- § Offer fast and friendly service to all citizens, whether online or face-to-face, by increasing the number of online services and developing a citizen satisfaction survey to measure performance.
- § Make state government both a great place to work and a place that produces great work by ensuring our government is diverse, inclusive and representative of our population; make sure state employees have the tools necessary to do their jobs - all while lowering overall costs.
- § Make Michigan more inclusive and equitable for all residents in employment, education, health and housing by ensuring timely resolution to civil rights complaints and training our government workforce.
- § Maintain and improve strong, collaborative relationships with federal agencies, local governments, and the private sector via shared government services.

#### ***Indicators of Success***

- § A positive balance in the state's books
- § Reduced expenditures for contractual services
- § Reduced energy consumption in state buildings
- § Increased number of on-line services for citizens
- § Lower employee turnover rates



## Commitments to Deliver Results

### Make Government in Michigan More Cost Effective & Efficient

#### Efficiency in State Government

The State of Michigan is continually working at realigning, redefining and redesigning government to move Michigan forward. Through increased efficiencies in energy use, real-estate, and access to government services through the use of online technology and kiosks, the state will continually cut state costs, while improving service to citizens.

#### E-Procurement

The state is working to implement a modern purchasing system to better source and manage contracts and commodity purchases for the State of Michigan. Development of an electronic purchasing system will improve the way the State of Michigan buys products and services. The system will streamline processes, reduce processing time, and monitor compliance state purchasing directives. FY 2005 will be devoted to defining needs, planning the system and identifying solutions. During FY 2006 we will begin implementation of the selected solutions.

#### MiTAPS

MiTAPS provides a “one-stop shop” for businesses to apply on-line, quickly and accurately, for the permits required to do business in the state. For example, registering to pay unemployment taxes used to take up to 6 weeks – it can now be done in less than 24 hours.

*To date, more than 10% of Michigan’s business permits are available in one on-line location. All will be available by September 2005.*

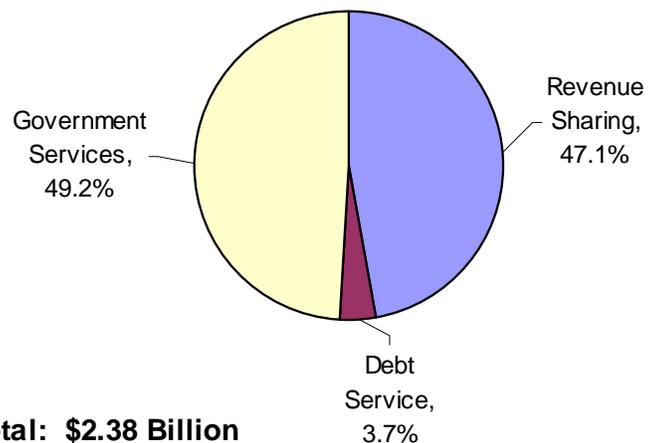
#### Stop the Outsourcing of State Jobs

The Office of the State Employer (OSE) is working with all state departments to identify which services are being performed by outside contracts. It is OSE’s goal to bring these services back into the hands of state government, to decrease costs and increase jobs offered within the State of Michigan.

#### Equity In Contracting

The State of Michigan is committing itself to establish a systematic change in the state procurement process whereby the opportunities for participation in the state procurement process by businesses owned by women and minorities are enhanced.

### Better Government Spending



#### Vision and Values in State Government

The State of Michigan is continuing to make state government “a great place to do great work”. The State’s approach is to provide tools to each agency that support their organizational development efforts and that provide data and resources for change. Currently that State is doing this through, an annual employee values survey, MI-360 Survey, coaching skills training, leadership development training, employee recognition / appreciation, and re-engineering methodology.

