

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

TIMELINE: October 1, 2009 through September 30, 2010

PROGRAM MISSION STATEMENT (Customer-Focus Direction)

The Bureau of Commercial Services serves to protect the health, welfare and safety of Michigan citizens and to encourage the growth of business in Michigan.

The Bureau has five major areas of responsibility: the Corporation Division, Enforcement Division, Licensing Division, Policy & Administrative Services, and Legal Affairs Division that also houses the Office of the State Cemetery Commissioner.

The Corporation Division is divided into two sections: Document Review and Business Services. The Enforcement Division is divided into two sections: Technical & Investigative and Ski-Carnival-Amusement Ride Inspection. The Licensing Division is organized into four units, each administering several licensing boards. Policy & Administrative Services contains five specialized operational activities: Audit, Construction Lien Recovery Fund, Final Order Monitoring, Testing & Educational Services, which handles testing functions for the Bureau's various occupations as well as support for some areas outside of the Bureau, and Policy & Central Administration. The Legal Affairs Division has a Support Unit that provides assistance to agency staff attorneys and assistant attorney generals, as well as, the Office of the State Cemetery Commissioner.

VISION STATEMENT

Growing business while protecting the consumer.

Bureau Challenges for FY 2011 and Beyond

Overcoming budget issues will be an enormous challenge. In fiscal year 2011, the Bureau will be spending approximately \$5.7 million dollars or 33% of its appropriation on IT support and contractors. Through FY 2010 the Bureau has been charged approximately \$3.6 million dollars of its appropriation to place two small license types into the One-Stop portal. The Bureau is also being charged an additional \$5.3 million dollars from its appropriation over the next three fiscal years for charges related to the One-Stop portal. These budget issues will make it extremely difficult for the Bureau to perform its statutorily mandated duties.

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DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

PROGRAM STATEMENT

Enforcement Division:

The Enforcement Division is responsible for the regulatory oversight of all professions, occupations, businesses, and services within the regulatory authority of the Bureau. It does this through the investigation of consumer complaints filed against individuals and businesses involving allegations of violations of various licensing laws. The division works with gubernatorial appointed occupational and professional licensing boards or commissions to ensure appropriate administrative action is taken to protect the health, safety, and welfare of the citizens of Michigan.

The Enforcement Division is divided into four operational units: Technical, Investigative Services, Ski Area & Amusement Safety, and Administration. The Enforcement Division handles a wide range of enforcement activities amongst 31 different commercial occupations and professions. Its primary responsibility is to conduct investigations into allegations of violation of the various licensing laws. It also performs inspections in five areas of the program: barber establishments and schools, cosmetology establishments and schools, funeral establishments, ski area safety, and carnival amusement rides.

Whether it is conducting investigations into consumers' complaints or performing inspections of regulated facilities, the Enforcement Division operates to promote a climate where the health and safety concerns of our citizens are preserved and an environment where Michigan is a great place to work and raise a family.

FUND SOURCE:

Corporation Fees
Limited Liability Partnership Revenue
Certification & Copying fees
Real Estate Education Fund
Real Estate Appraiser Continuing Education Fund
Licensing & Regulation Fees
Construction Lien Fund
Accountancy Enforcement Fund
Residential Builders & Maintenance & Alteration Contractors Enforcement Fund

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DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

LEGAL BASIS:

Enforcement Division, Licensing Division and Legal Affairs Division:

PA 299 of 1980 (Occupational Code) MCL 338101 et seq.

PA 152 of 1979 (State License Fee Act) MCL 338.2201 et seq.

PA 259 of 1931 (Building Contract Fund) MCL 570.151 et seq.

PA 251 of 1968 (Cemetery Regulation Act) MCL 456.521 et seq.

PA 199 of 1962 (Ski Area Safety Act) MCL 408.322 et seq.

PA 225 of 1966 (Carnival Amusement Safety Act) MCL 408.651

PA 172 of 1972 (Forensic Polygraph Examiners) MCL 338.1701 et seq.

PA 255 of 1986 (Prepaid Funeral & Cemetery Sales Act) MCL 328.211 et seq.

PA 330 of 1968 (Private Security Business and Security Alarm Act), MCL 338.1051

PA 285 of 1965 (Professional Investigator Licensure Act), MCL 338.821

PA 161 of 2004 (Immigration Clerical Assistants Act)

PA 403 of 2004 (Michigan Unarmed Combat Regulatory Act) MCL 338.3601 et. seq.

PA 263 of 2005 (Vehicle Protection Product Warrantors) MCL 257.1241 et. Seq.

ADMINISTRATIVE RULES

License and Registration Renewals, R 339.1001 et seq., Michigan Administrative Code

Disciplinary Proceedings, R 339.1701 et seq., Michigan Administrative Code

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PROGRAM: BUREAU OF COMMERCIAL SERVICES

CUSTOMER IDENTIFICATION:

General public, certified public accountants, attorneys, businesses, or any entity that wishes to create or update its file. General public, businesses, governmental agencies, credit agencies, attorneys, court systems, investigative agencies, and any customers who would need information about entities, certificates or copies of these records. Any citizen who purchases or relies on a service provided by a licensee.

CRITICAL GOALS/MAJOR OBJECTIVES and RESULTS

ENFORCEMENT DIVISION:

Program Goals:

The principal goal of the Bureau of Commercial Services, Enforcement Division, is to protect consumers through effective regulatory oversight of all professions, occupations, businesses, and services within the regulatory authority of the Bureau. It does this by investigating allegations of violations of the Occupational Code and various other licensing laws and administrative rules enforced by the agency and by bringing appropriate administrative charges where necessary to protect the health, safety, and welfare of the citizens of Michigan.

The overall goals of the Enforcement Division are to review, investigate, and process complaint cases in the most expeditious manner possible. It strives to complete all complaint and inspection assignments within one year from the date of receipt of the complaints and/or inspections. It recognizes that the timely resolution of all cases benefits the agency, consumers, and respondents, alike.

The Enforcement Division works with all sectors of society, including local governments and municipalities, the federal government, and private concerns to achieve the objectives of the program.

Processes/Services

The Enforcement Division is responsible for the regulation and investigation of consumer complaints filed against individuals and businesses for violations of the various licensing laws the Bureau of Commercial Services regulates. The Enforcement Division, in conjunction with gubernatorial appointed Boards and/or commissions, is charged with the responsibility of taking appropriate administrative action necessary to protect the health, welfare, and safety of the citizens of Michigan.

The Enforcement Division is divided into four functional units: Technical, Investigative Services, Ski Area & Amusement Safety, and Administration. The operational structure of the Enforcement Division is comprised of the management of 4 regional offices, a preliminary review unit, ski area & amusement safety unit, a small administrative unit, an unarmed combat regulatory program, a good moral character determination program, five inspectional programs, and a

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complaint investigation process. The Enforcement Division has 37 employees. It handles a wide range of enforcement activities amongst 31 different commercial occupations and professions. It is responsible for enforcement actions against individuals and businesses to ensure compliance with the various licensing laws it regulates.

Through supervisory oversight, data analysis and evaluations, database management systems, and established work standards and performance objectives, the Enforcement Division ensures that complaints are addressed appropriately in accordance with applicable statutes, policies, and/or established procedures. It strives to resolve and/or investigate all complaints in a timely manner, subject to available resources. The Enforcement Division ensures that investigation formats that are utilized are structured to properly address all allegations of violations of law.

The Enforcement Division ensures that all complaints that are resolved or dismissed have adequate support and that justifications are properly documented both in the complaint files and complaint databases. It ensures that evidence uncovered during the investigation of complaints are sufficient, relevant, well documented, and timely to support resulting conclusions and that regulated services are provided in a safe manner to the general public.

The Enforcement Division also ensures that the interest of the public is protected by its inspections of regulated facilities such as barber and cosmetology establishments, colleges, and schools; funeral establishments, and ski and amusement rides. The inspection formats are structured to properly test for compliance with all applicable standards mandated by statute or rule.

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PROGRAM EFFECTIVENESS and Efficiency (Current Year)

Program Goals/Metrics

See following summary.

Performance Measures

Expectation Objective

90%	Ski Area and Amusement Safety Unit inspections for completed new applications will be conducted within 14 days of availability of the equipment.
90%	Preliminary Review (investigation) of builder complaints will be completed within six months of the date of referral to Preliminary Review Unit.
90%	Preliminary Review of real estate appraiser complaints will be completed within 180 days of assignment to the work unit.
70%	Regional offices investigation of Article 24 complaints will be completed within 180 days of assignment.
70%	Regional offices investigation of Non-Article 24 complaints will be completed within 280 days of assignment.
100%	Regional offices inspection of funeral establishments will be completed within 45 days of assignment.
100%	Regional offices inspection of all other establishments will be completed within 180 days of assignment.
100%	Good Moral Character Determination Program assignments will be completed within 120 days of assignment to the work unit.

Program Improvements/Achievements

100%	Ski Area and Amusement Safety Unit inspections completed and/or conducted within 14 days of availability of the equipment.
87.17%	Preliminary Review (investigation) of builder complaints completed within six months of the date of referral
-----	Regional offices investigation of Article 24 complaints completed within 180 days of assignment. [This result was not achieved due to staffing constraints and limitations.]
83.29%	Regional offices investigation of Non-Article 24 complaints completed within 280 days of assignment.
93%	Regional offices inspection of funeral establishments completed within 45 days of assignment or when the establishment is ready for inspection.
75%	Regional offices inspection of all other establishments completed within 180 days of assignment or when the establishment is ready for inspection.
58%	Good Moral Character Determination Program assignments completed within 120 days of assignment.

Reengineering - Reengineering the ski area and amusement safety unit program and processes to clearly delineate the enforcement functions from the licensing functions.

Desired Result: An effective organizational structure that facilitates effective working relationships between workgroups and improved productive efficiency within the agency.

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Status: The Division has been meeting with the Licensing Division to figure out how this process may be more clearly delineated. Discussions have centered on assignments conditions for inspections of ski lifts and amusement safety rides and for enrichment to website information to facilitate the application process. The Enforcement Division is also working with the Licensing Division to revise application forms and to create a posting of an ever-updated PDF listing of rides that either currently hold or have held permits in the past in Michigan and for which the Department already has the engineering documentation on file. The application instructions and website information will advise that if a ride appears on this list, it should not require engineering documentation to be submitted with the application. This will work toward facilitating delineation between the enforcement and licensing function and ease in the entire application process.

Program Changes: Review program for modification and change to respond to changing work processes, conditions, and program.

Desired Result: An effective organizational structure that adapts to changes occurring in the work setting to deliver a service that is timely and responsive to constituents' needs.

Status:

- The Good Moral Character Determination program has been reengineered and the process streamlined to more closely conform to statutory requirements for the application of the Former Offenders Act. The Enforcement Division has discontinued making preliminary decisions concerning the fitness of applicants with conviction records for licensure. [This is now the function of the Licensing Division.] In this matter, the role of the Enforcement Division is now limited to determining what conviction records are permissible for review by the licensing agency and forwarding such records to the licensing agency.
- All investigations resulting in a preliminary determination of unlicensed activity of Article 24 professions (residential builders or maintenance and alteration contractors) are being referred to the criminal division of the Attorney General's office for criminal prosecution. Meanwhile, similar determinations of non-article 24 professions are being referred to local prosecuting agencies.
- Discussions are on-going with respect to the future platform for complaint investigation and inspections of establishments and schools.

Training and Seminars: Increased opportunities for ski and amusement safety training, and seminars for inspectors and regulation agents.

Desired Result: Skilled and well-trained workers with a best-practice approach to work, resulting in improved performance and attainment of pre-established Bureau's goal and divisional objectives.

Status: The ski area and amusement safety unit participated in one training program this year. Executive Order 2007-12 has prevented employee training since 2007 (E.O. 2007-12), but every other year, ski area safety training is available in Michigan at the Mid-Western Ski Areas Association (MSAA) annual meeting. The ski area employees were able to participate in this event this year. Meanwhile, the Enforcement Division received approval for one of the employees of the Amusement Safety Unit to attend the 2010 AIMS amusement safety training in November to be held in Florida. Additionally, the unit manager has attended a number of seminars, at his own expense, that was useful for training and broadening knowledge within the practice area.

Appraisal Investigation: Re-engineering of the appraisal investigation program.

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Desired Result: To effect a process for the speedy resolution of appraisal investigation assignments to bring the agency in compliance with the Appraisal Subcommittee's requirement that all appraisal complaints are fully adjudicated within 1 year of receipt by the agency.

Status: The Appraisal Foundation and the Association of Appraiser Regulatory Officials combined this year to offer training in appraisal investigation free of cost to member jurisdictions. Six divisional staff were able to take advantage of the level-one training opportunity that was offered. Meanwhile, two additional divisional staff will attend a level-two training that will be offered later this fall. These training programs are useful for the future success of the program, increased productivity and efficiency, employee satisfaction, and an effort toward meeting the objective of this program.

Inspectional Program: Develop a comprehensive state-wide inspectional program for barber and cosmetology establishments and schools, and funeral establishments.

Desired Result: Limit the public's exposure to the unauthorized practice of the respective professions or occupations, unsanitary conditions, and unhealthy practice environments. Provide a medium for educating and training of industry professionals to understanding how to develop good practices and not come afoul of the law. Help industry professionals understand the value of observing the law and the standards of practice of their respective professions or occupations. Determine if establishments and personnel are practicing in their respective professions in conformance with applicable laws and administrative rules. Promote economic growth and assist businesses and individuals to become licensed.

Status: This initiative has been stalled for lack of resources to effect any real measure in this area.

PROGRAM IMPROVEMENT PLANS FOR FY10

- Building strong relationships with both internal and external customers by delivering a quick, usable, and responsive service to address constituents' needs and work to remove organizational barriers to this objective.
- Reengineering – Continued efforts to reengineering the ski area and amusement safety unit program and processes to clearly delineate the enforcement functions from the licensing functions.
Desired Result: An effective organizational structure that facilitates effective working relationships between workgroups and improved productive efficiency within the agency.
- Program Changes: Continued efforts in reviewing program areas for modification and change to respond to changing work processes, conditions, technology, and program.
Desired Result: An effective organizational structure that adapts to changes occurring in the work setting to deliver a service that is timely and responsive to constituents' needs.
- Appraisal Investigation: Continued initiative to re-engineer the appraisal investigation program.
Desired Result: To effect a process for the speedy resolution of appraisal investigation assignments.

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CHALLENGES FOR FY10 and BEYOND

90%	Ski Area and Amusement Safety Unit inspections for completed new applications will be conducted within 14 days of availability of the equipment.
90%	Preliminary Review (investigation) of builder complaints will perform a significant task at least once every 30 days for assignment to the work unit.
90%	Preliminary Review of real estate appraiser complaints will perform a significant task at least once every 30 days for assignment to the work unit.
70%	Regional offices investigation of Article 24 complaints will perform a significant task at least once every 30 days for assignment to the work unit.
70%	Regional offices investigation of Non-Article 24 complaints will perform a significant task at least once every 30 days for assignment to the work unit.
100%	Regional offices inspection of funeral establishments will be completed within 45 days of assignment.
100%	Regional offices inspection of all other barber and cosmetology establishments and colleges and schools will be completed within 180 days of assignment.
100%	Barber colleges and cosmetology schools will be inspected at least once every 6 months.
100%	Good Moral Character Determination Program assignments will be completed within 45 days of assignment to the work unit.
100%	Complaints resolved are sufficiently supported by relevant, well documented, and timely evidence for resulting conclusions.
100%	Unarmed combat regulatory shows/events/contests are addressed and handled appropriately in accordance with applicable statutes, policies, and established practices and procedures.

Reengineering – Continued efforts to reengineering the ski area and amusement safety unit program and processes to clearly delineate the enforcement functions from the licensing functions.

Desired Result: An effective organizational structure that facilitates effective working relationships between workgroups and improved productive efficiency within the agency.

Program Changes: Continued efforts in reviewing program areas for modification and change to respond to changing work processes, conditions, and program.

Desired Result: An effective organizational structure that adapts to changes occurring in the work setting to deliver a service that is timely and responsive to constituents' needs.

Long-Term Plan:

Tools & Equipment: Utilize project information system management software to provide on-site web-based file or data creation, review, and submission; and real time information sharing capability, particularly within the inspection program. Desired Result: This will increase efficiency in planning investigations and

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delivering inspection results, reduce costs, improve service to citizens, and promote sustainable regulatory practices. The software will issue on-site electronic report, allow for recovery management processes, and allow for partnership with the clients and the agency in delivering quick and usable service.

Facility: Creation of a Web-Based Internet-Mobile or virtual office/Internet café type office environment, reducing cost for capital and leasehold improvements, as well as other related fixed and variable overheads.

Desired Result: To increase efficiency in developing and completing investigations and delivering inspection results, reduce costs, improve service to citizens, and promote sustainable regulatory practices.

Education and Training: Increased education and training opportunities for employees.

Desired Result: Provide all employees with training opportunities for improving knowledge in the practice areas and in investigation and inspection techniques, methodology, and protocols. Building a more efficient, highly trained, and educated staff to strengthen and promote sustainable regulatory practices.

CHARTS

See Attachment B.

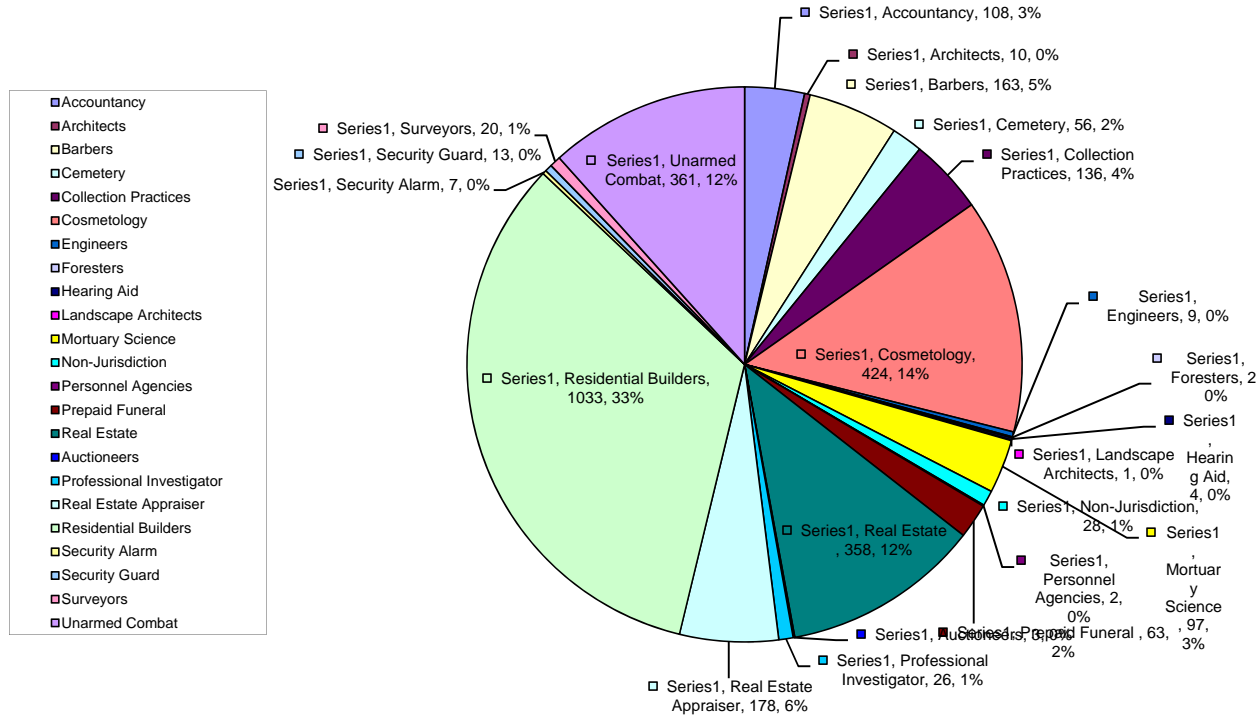
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APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Bureau of Commercial Services
Enforcement Division
Complaints Opened
October 1, 2009 to September 30, 2010



During the reporting fiscal period, the Enforcement Division received 2,778 newly filed complaints, the vast majority of which was against residential builders and maintenance & alteration contractors, 1,033 or 37% of the total complaints received.

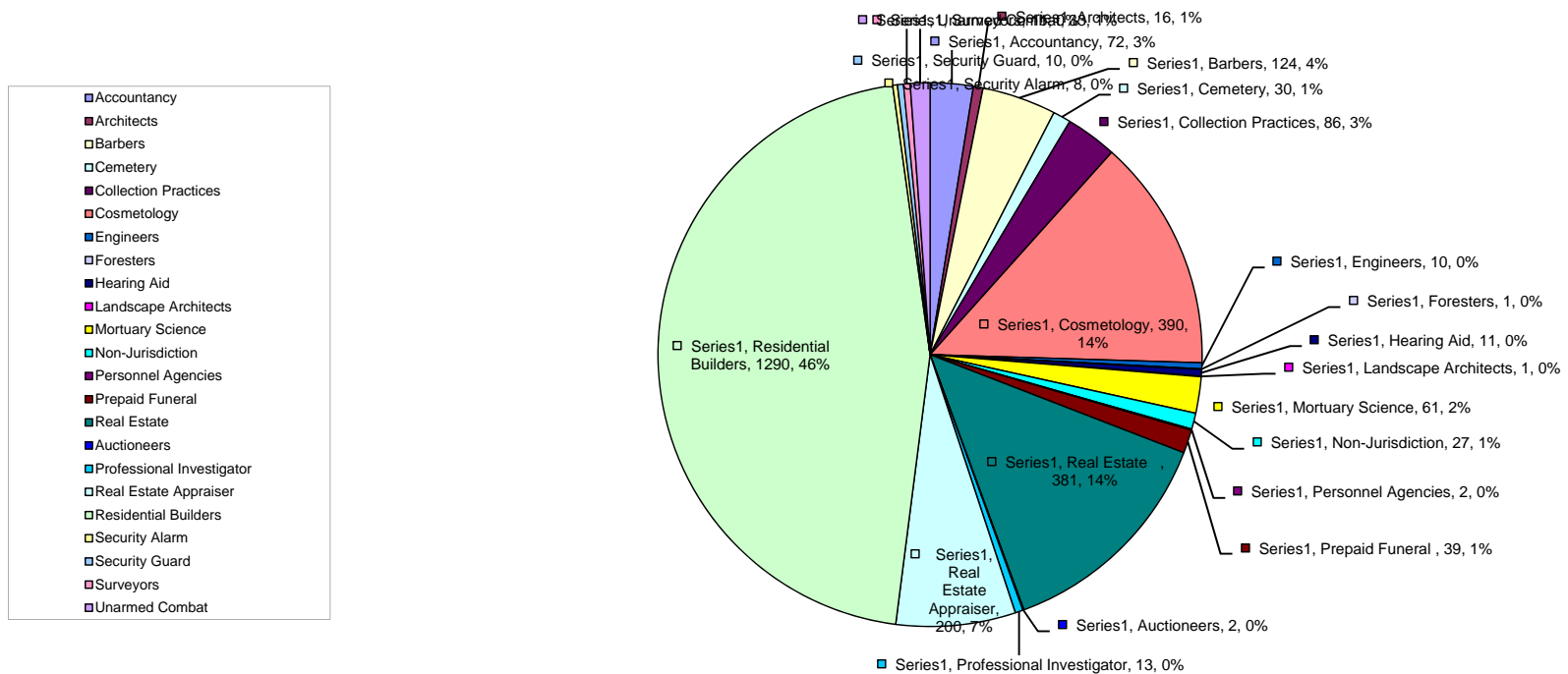
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APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Bureau of Commercial Services Enforcement Division Complaints Closed



October 1, 2009 to September 30, 2010

The Enforcement Division completed 2,818 complaints, [this is made up of complaints that concluded with a Final Order of the Board or Commission and complaints closed without disciplinary sanctions] the vast majority of which was against residential builders and maintenance & alteration contracts, 1,290 or 46% of the total complaints completed. See preceding chart.

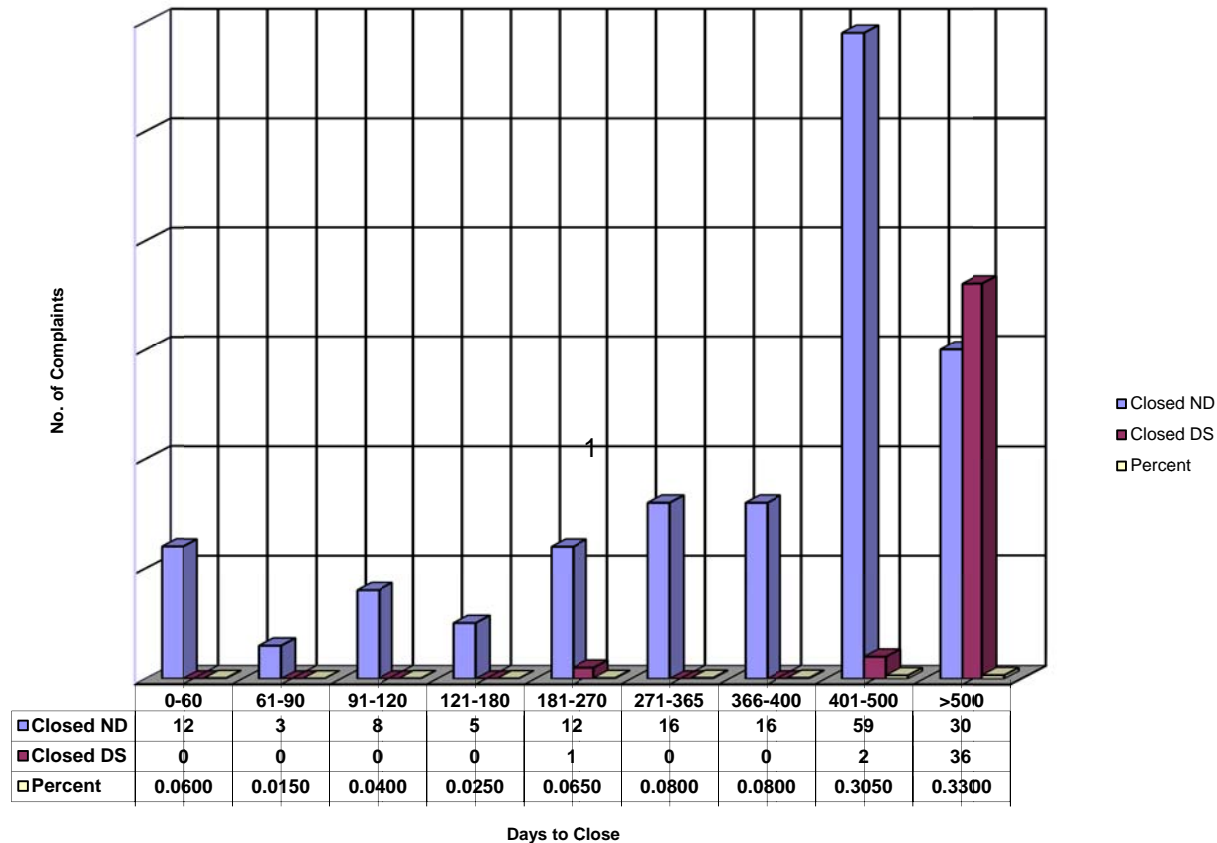
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APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Bureau of Commercial Services
Enforcement Division
Real Estate Appraisal Complaints Closed
October 1, 2009 to September 30, 2010



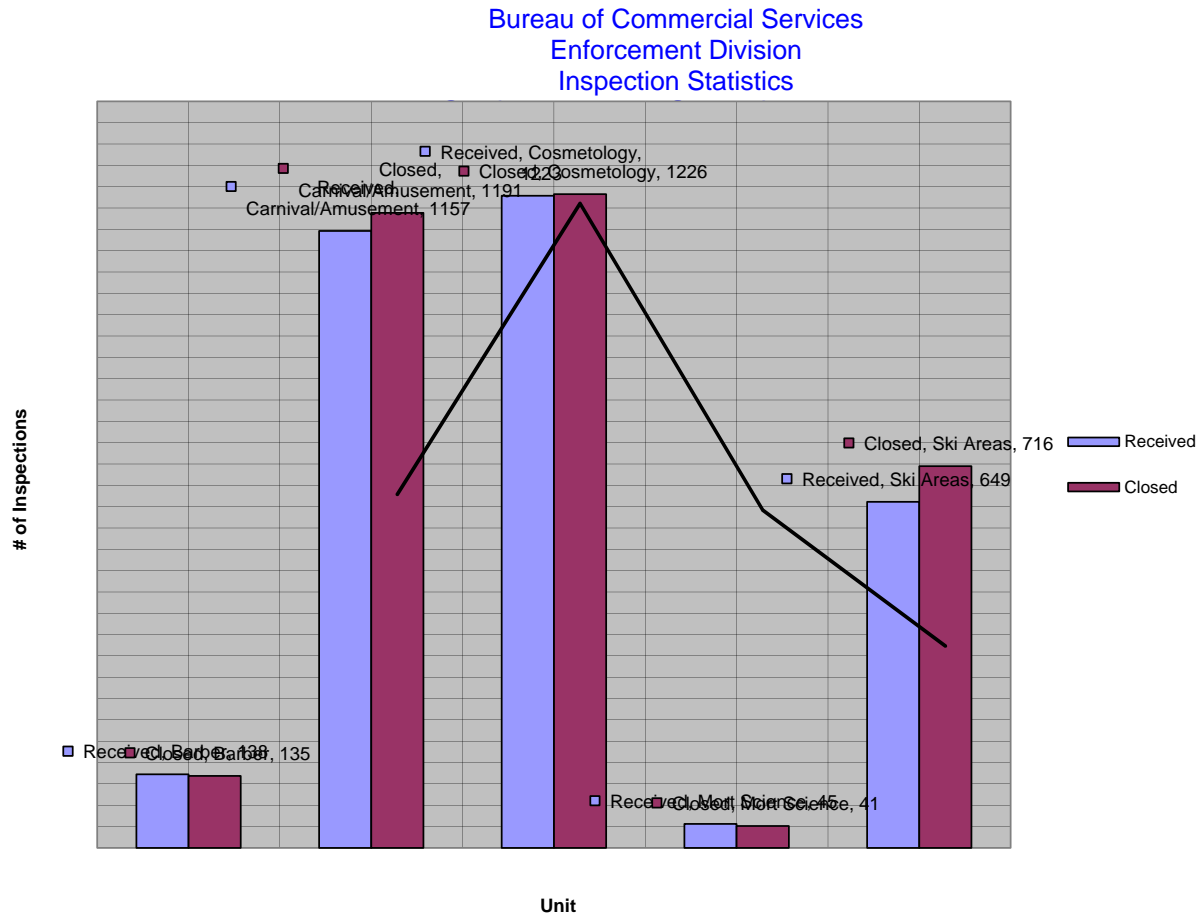
The preceding bar chart illustrates the frequency for the closing of real estate appraisal complaints within the fiscal period. Nine time periods are illustrated. The chart shows that most of the closings, 70.5%, occurred beyond the 365 day threshold.

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During the reporting fiscal period, the Enforcement Division received requests for 3,212 inspections. It completed 3,309 inspections, including some carryovers from the previous year. These inspections were formatted and structured to properly test for compliance with all applicable standards mandated by statute or rule. See preceding chart.

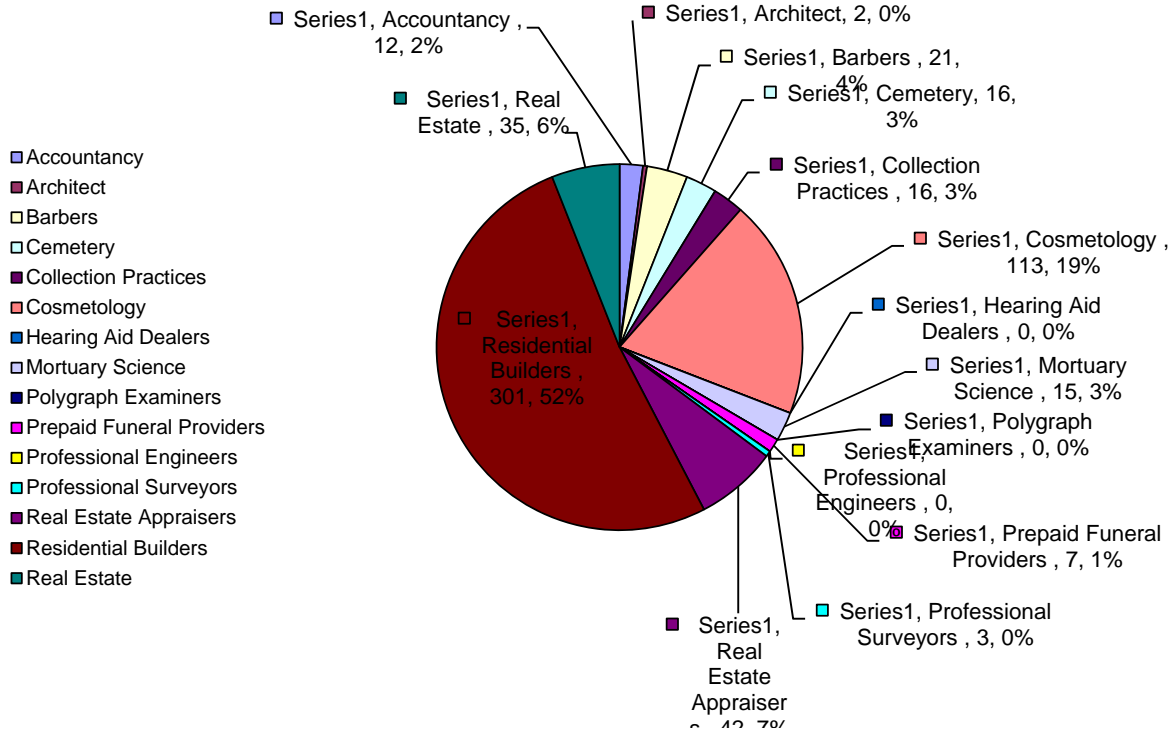
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APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Bureau of Commercial Services
Enforcement Division
Formal Complaints Requested
October 1, 2009 to September 30, 2010



The preceding chart, illustrates that for the fiscal period ending September 30, 2010, the Enforcement Division requested 593 formal complaints be issued. The vast majority of these requests pertained to Article 24 complaint activities. Of the total requests for the issuance of formal complaints, 301 or 51% were against residential builders and maintenance and alteration contractors. The next largest group involved cosmetology showing a result of 113 requests for formal complaints or 19% of the total request,

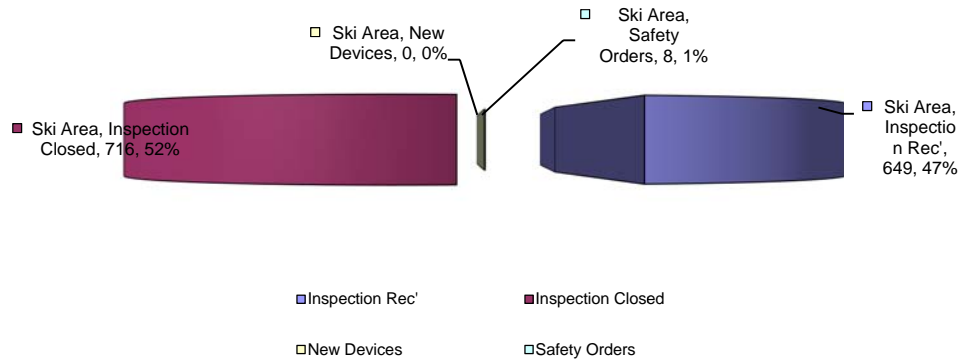
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APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Bureau of Commercial Services
Enforcement Division
Ski Area Inspection Activity
October 1, 2009 to September 30, 2010



The chart illustrates that within the fiscal period, 649 requests for inspections were received and 716 completed, including carryovers from the previous season. No new devices were installed and 8 safety orders were issued.

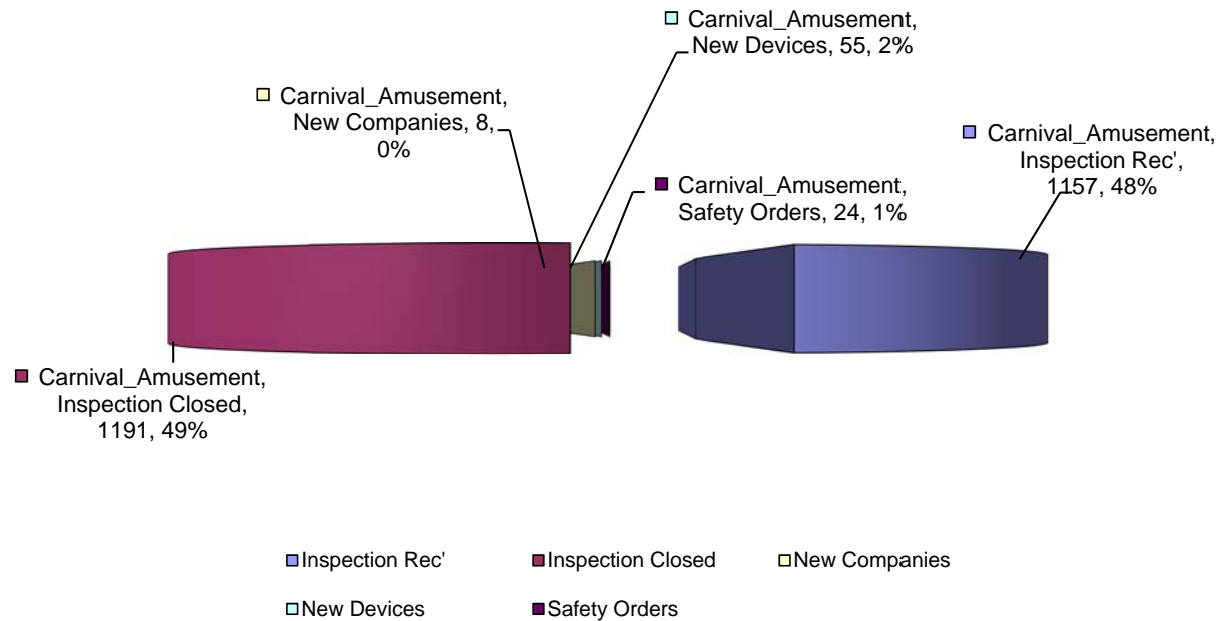
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APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Bureau of Commercial Services
Enforcement Division
Carnival/Amusement Inspection Activity
October 1, 2009 to September 30, 2010



The chart illustrates that within the fiscal period, there were 1,157 requests for inspections and 1,191 completed. There were 55 new devices, 8 new companies, and 24 safety orders issued.

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APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

PROGRAM STATEMENT

Licensing Division:

The Licensing Division licenses and regulates 31 professions and occupations. It strives to provide excellent service to Michigan citizens through ensuring those entering a regulated profession or occupation meet the standards set forth in statute, while ensuring that every individual or business that meets the minimum eligibility requirement is timely issued a license or registration. It also supports the continued operation in the regulated profession or occupation by ensuring that the statutory renewal requirements are met and the renewed license is issued timely to enable continued operation in the various professions and occupations.

The Licensing Division provides for the licensing, registration, permitting or listing of 31 professions and occupations. The 14 advisory boards and one commission: the boards of accountancy, architects, auctioneers, barber examiners, carnival-amusement safety, collection practices, cosmetology, mortuary science, professional engineers, professional surveyors, real estate appraisers, real estate brokers and salespersons, residential builders and maintenance and alteration contractor and ski area safety; and, the unarmed combat commission. Professions or occupations without an advisory board include cemeteries, forensic polygraph examiners, foresters, hearing aid dealers and salespersons, immigration clerical assistants, interior designers, ocularists, personnel agency, prepaid funeral contracts, professional investigators, professional community planners, security alarm contractors, security guard agencies and vehicle protection product warrantors.

During FY10, the registration provisions of land sales act and Occupational Code land sales registrations were deregulated. Pre-licensure credentialing varies by profession or occupation, but may include any or a combination of evaluation of education, specific industry or practical experience or internship, examination, financial stability, physical examination, and/or good moral character. The Division maintains records for over 312,000 active licensees, registrants, permits or listees.

FUND SOURCE:

Corporation Fees
Limited Liability Partnership Revenue
Certification & Copying fees
Real Estate Education Fund
Real Estate Enforcement Fund
Real Estate Appraiser Continuing Education Fund
Licensing & Regulation Fees
Construction Lien Fund - dissolved FY10
Accountancy Enforcement Fund
Residential Builders & Maintenance & Alteration Contractors Enforcement Fund.

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PROGRAM: BUREAU OF COMMERCIAL SERVICES

LEGAL BASIS:

Enforcement Division, Licensing Division and Administrative Services Division:

PA 299 of 1980 (Occupational Code) MCL 338.101 et seq.
PA 152 of 1979 (State License Fee Act) MCL 338.2201 et seq.
PA 497 of 1980 (Construction Lien Act, Recovery Fund provisions) MCL 570.1101 et seq.
PA 259 of 1931 (Building Contract Fund) MCL 570.151 et seq.
PA 251 of 1968 (Cemetery Regulation Act) MCL 456.521 et seq.
PA 199 of 1962 (Ski Area Safety Act) MCL 408.322 et seq.
PA 225 of 1966 (Carnival- Amusement Safety Act) MCL 408.651
PA 172 of 1972 (Forensic Polygraph Examiners Act) MCL 338.1701 et seq.
PA 255 of 1986 (Prepaid Funeral & Cemetery Sales Act) MCL 328.211 et seq.
PA 330 of 1968 (Private Security Business and Security Alarm Act), MCL 338.1051
PA 285 of 1965 (Professional Investigator Licensure Act), MCL 338.821
PA 161 of 2004 (Immigration Clerical Assistants Act)
PA 403 of 2004 (Michigan Boxing Regulation Act) MCL 338.3601 et. seq.
PA 286 of 1972 (Land Sales Act) MCL 585.801 et. seq. – repealed FY10
PA 263 of 2005 (Vehicle Protection Product Warrantors) MCL 257.1241 et. seq.

ADMINISTRATIVE RULES

License and Registration Renewals, R 339.1001 et seq., Michigan Administrative Code
Disciplinary Proceedings, R 339.1701 et seq., Michigan Administrative Code
Refund of Fees, R 338.941 et seq. Michigan Administrative Code

CUSTOMER IDENTIFICATION:

Customers of the Licensing Division include: the general public, certified public accountants, attorneys, businesses, or any entity who wishes to create or update its file; the general public businesses, governmental agencies, credit agencies, attorneys, court systems, investigative agencies and any customers who would need information about licensed individuals or entities, including a certification or copy of these records; any citizen who purchases or relies on a service provided by a licensee; and, any individual or business wishing to work in a regulated profession or occupation.

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PROGRAM: BUREAU OF COMMERCIAL SERVICES

CRITICAL GOALS/MAJOR OBJECTIVES and RESULTS

LICENSING DIVISION:

Program Goals:

The Licensing Division provides excellent customer service by processing new, renewal and change applications timely, accurately, and efficiently. It strives to improve efficiency through continuously reviewing processes and increasing reliance on automation and making increased use of web services for our customers.

Processes/Services

The Licensing Division is responsible to receive and process license applications from 31 professions and occupations to determine whether the applicants meet the licensing criteria established in statute. It issues new licenses, renews licenses, certifies licensees' records and maintains the licensing records. The Division is responsible to work with 14 governor-appointed advisory boards and one commission, which hears license denial appeals from applicants and establishes penalties on contested cases for which the administrative law judge made a finding of fact and conclusion of law that the licensee violated a licensing statute or administrative rule.

PROGRAM EFFECTIVENESS and EFFICIENCY (Current Year)

Program Goals/Metrics

See attached charts

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APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Performance Measures

#1 Timeliness of Application Processing:

The Licensing Division is responsible to process applications from 31 professions and occupations, each of which has its own statutory and administrative rule requirements. The Division processes new applications expeditiously and within the statutory timeframes, for an active application, which range from one year to ten years. Given that it is the applicants' responsibility to provide all required information with the application; it is the Division's goal that 85% of all new applications are entered and minimally received a first review within three days of receipt in the licensing units. **This objective was met in FY10.**

#2 Timeliness of Processing Certifications:

The Licensing Division processes requests for license certifications that vary in complexity. Certifications may require as little data as the current license status, but could also require a detailed license history or certain credentialing information. The fees required to request a license certification are established in statute and range from \$5.00 for a simple verification to \$15.00 for a complex certification. It is the Licensing Division's goal that the certification procedures and verification processes be reviewed to enable standardization of the information and use of electronic versions of these documents wherever possible. With improvements it is the Licensing Division's goal to produce simplified documents within two weeks of receipt and 100% of all certifications within 30 days. **This objective was met in FY10.**

#3 Compliance with "Red Tape" Legislation

Twelve regulated occupations contain statutory requirements that applications be reviewed within certain time period (e.g., 15 or 30 days). Most are within 30 days (real estate brokers is 15 days) in which the applicant must be notified of any deficiency. It is the Licensing Division's goal to achieve 100% compliance with the "Red Tape" mandates for application review. **This objective was met in FY10.**

#4 Board Meeting Minutes Availability

The Open Meetings Act requires that draft minutes of meetings be prepared within five days of the meeting; it is the Licensing Division's goal that minutes of every board meeting be prepared and available within the statutory five day timeframe. **This objective was met in FY10.**

#5 Timely and Accurate Telephone Customer Service

The Division's incoming calls are largely routed through an automated phone system to staff of the unit where assistance can be provided. Monitoring features are available for these staff functions; it is the Licensing Division's goal that calls are answered within appropriate timeframes and that when messages are left that return calls are made within 24 hours of the initial receipt. **This objective was met in FY10.**

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Program Improvements Made

1. Continue to work with DIT staff to complete implementation of a new licensing database for all Division occupations to improve technology to enable more automated and efficient application processing and updating. The database application is to incorporate tools for electronic imaging, electronic application processing, electronic reporting of student, pre-licensure and continuing education for licensees and applicants, reporting capabilities to provide the customer and the consumer electronic access to application and licensing data along with the ability to download license verifications, license history and reports.

Desired Result: Automate processing of applications to the greatest extent possible so that license issuance will be expedited.

Status: Although it continues to support the real estate license types and auctioneer registration, the COLA database is not the solution that was hoped to expedite processing. Many manual steps were designed into the processes including overnight batch processing instead of real time processing. The viability of continuing down the path of this DIT built system has been re-evaluated and these COLA/iCOLA processes will be merged into the migration to My License Office (MiLO) database.

2. Continue to work with IT staff to create and implement customer access to the status of their pending applications, current licensure or registration lookups, and request data changes, licenses renewals, request duplicate licenses and transfer a license by electronic means. Licensees need password access to their electronic data files and the ability to pay by electronically.

Desired Result: To provide customers with a self-serve ability via the web.

Status: Mostly accomplished. Many processes can be accomplished through the web, such as renewing a license, transferring a license, requesting a duplicate license, applying for real estate salesperson and a cosmetology individual license. Application status lookups are not yet available before the license is issued, but once issued; the "Check a License" online system has been a big improvement for those checking with the department.

3. To continue to centralize and streamline the licensee/registration renewal process and to encourage more licensees/registrants to renew on-line instead of by mail.

Desired Result: Make online renewal available for all professions.

Status: Accomplished.

4. To hold board member training in a way that meets the information needs of new and existing board members.

Desired Result: Provide training to all board members during FY 10.

Status: Accomplished.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

PROGRAM IMPROVEMENT PLANS FOR FY11

1. Work with DIT staff to consolidate the data for 31 licensed professions and occupations into one database. Currently, two professions are maintained in the COLA database while 29 professions are maintained in the L2K database.
Desired Result: To consolidate all licensing programs into one database.
2. Continue to strive for enhancements to our technology to include the ability to accept application data electronically. Other desired enhancements are to incorporate tools for electronic imaging, electronic application processing, electronic reporting of student, pre-licensure and continuing education for licensees and applicants, reporting capabilities to provide the customer and the consumer electronic access to application and licensing data, self-reporting of continuing education and with the ability to download license verifications, license history and reports.
Desired Result: Gain efficiencies in processing through increasing use of technology and automation.
3. Issue 95% of certifications within 21 days of receiving the completed request with the proper fee.
Desired Result: To decrease the expected processing time for license certifications.

CHALLENGES FOR FY11 and BEYOND

1. Technology

- Staff is working on two separate licensing databases, which is inefficient and expensive to maintain.
- The Licensing Division's technology needs have outpaced the Department of Technology, Management and Budget's (DTMB) ability to implement programming enhancements.
- Need to have more self-service functions available to licensees and applicants via the web.

2. Residential builders and maintenance and alteration contractors licensing statute requires a standard of financial stability for the purpose of protecting the public from garnishments of money paid to a builder for a specific project to pay other debt owed by the builder. As a result, it is very difficult in Michigan's slow economy for some homebuilders to obtain a license. This statute needs to be revised to preserve Michigan's homebuilders' ability to become licensed while protecting the public trust. Maintaining a consistent restricted annual revenue source will become difficult, as several of our large professions have undergone legislative changes to renew once every three years instead of every year or even every other year.

CHARTS

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Bureau of Commercial Services
Licensing Division
Fiscal Year 2010

Expectation

85%

Objective

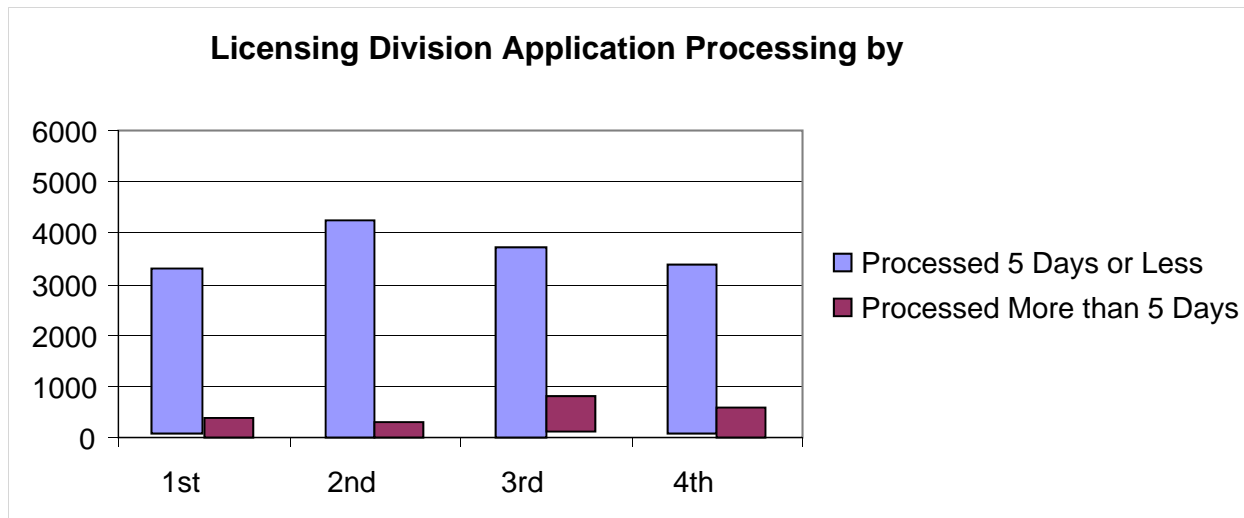
License applications will be processed within 5 days of receipt of the completed application.

1st Quarter: 86.01% of applications

2nd Quarter: 88.58% of applications

3rd Quarter: 87.43% of applications

4th Quarter: 87.02% of applications



FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Bureau of Commercial Services
Licensing Division
Fiscal Year 2010

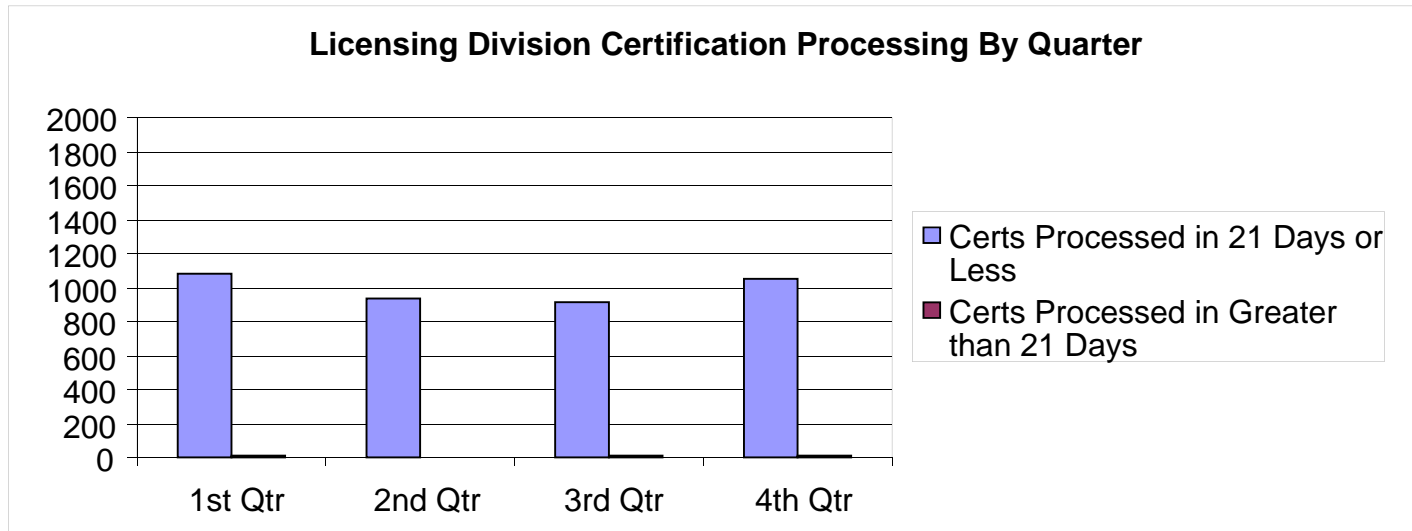
Expectation

95%

Objective

Certifications issued will be completed within 21 days of receipt of the certification request.

1st Quarter: 99.4% (1044 total certs, 1038 processed 21 days or less, 6 in >21 days)
2nd Quarter: 97.1% (891 total, 865 in 21 days or less, 26 in >21 days)
3rd Quarter: 95.8% (927 total, 888 in 21 days or less, 39 in > 21 days)
4th Quarter: 97.7% (1042 total, 1017 in 21 days or less, 25 in >21 days)



FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

PROGRAM STATEMENT

Corporation Division:

The Corporation Division promotes economic development and growth by facilitating the formation and development of business entities in the State of Michigan. Further, the Bureau enables domestic and foreign corporations, limited partnerships, limited liability partnerships and limited liability companies to transact business in the State. The Corporate Services program consists of thirty-eight (38) full time positions that are allocated to the Corporation Division. Within the Corporation Division, the program is divided into the Document Review Section and the Business Services Section. During fiscal year 2010 this program generated over \$21,192,200.11 in revenue.

The Document Review Section provides services that enable domestic corporations, limited partnerships, limited liability partnerships and limited liability companies to be formed and foreign entities to qualify to transact business in the State. Articles of Incorporation, Certificates of Limited Partnership and Articles of Organization are reviewed and filed by this Section. Review requires extensive knowledge of corporation and partnership law and a thorough knowledge of the Bureau policies, guidelines, and procedures. During fiscal year 2010 there were sixteen thousand five hundred fifty (16,550) new corporations, forty nine thousand five hundred and eleven (49,511) limited liability companies, one hundred hundred twelve (112) limited partnerships, one hundred eighty nine (189) limited liability partnerships formed. The Document Review Section registered nine hundred twenty one (921) trademark applications.

Each corporation and Limited Liability Company is required to file an annual report and annual statement. The Business Services Section filed three hundred seventy eight, four hundred thirty five (378,435) annual reports for corporations and annual statements for Limited Liability Companies and there were ninety one thousand eight hundred sixty four (91,864) filed online in fiscal year 2010. The total fees received for annual reports and annual statements, including penalty fees, generated approximately \$14,280,731.27.

The Business Services Section responded to one hundred eighty nine thousand four hundred ninety eight (189,498) telephone inquiries for name availability and general information on corporations, limited partnerships and limited liability companies in fiscal 2010. In addition, they received five thousand eight hundred seventy (5,870) requests by fax. The Business Services Section also receives requests for copies of documents. During fiscal 2010, they received over twenty four thousand four hundred and sixty four (24,464) orders. Records for corporation documents, partnership documents, limited liability company documents and annual reports are maintained on computer and each transaction represents one or more computer entries. All documents and annual reports are stored on microfilm and optical disk. Presently, records are maintained for (656,372) active corporations, limited liability partnerships, limited partnerships and limited liability companies.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

FUND SOURCE:

Corporation Fees
Limited Liability Partnership Revenue
Certification & Copying fees
Real Estate Education Fund
Real Estate Appraiser Continuing Education Fund
Licensing & Regulation Fees
Construction Lien Fund
Accountancy Enforcement Fund
Residential Builders & Maintenance & Alteration Contractors Enforcement Fund

LEGAL BASIS:

Corporation Division:

P.A. 284 of 1972 (Business Corporation Act)
P.A. 162 of 1982 (Nonprofit Corporation Act)
P.A. 213 of 1982 (Michigan Revised Uniform Limited Partnership Act)
P.A. 72 of 1917 (Uniform Partnership Act)
P.A. 23 of 1993 (Limited Liability Company Act) and various other related statutes
P.A. 13 of 1935 (created Michigan Corporation & Securities Commission and transferred powers and duties then vested in the Secretary of State.
P.A. 380 of 1965, Section 227, transferred the operations of the Corporation Division to the Department of Commerce pursuant to Executive Order No. 1965-22-A, the transfer became effective January 1, 1966.
P.A. 380 of 1965, Section 90, as amended by P.A. 324 of 1966, effective July 19, 1966, transferred the powers and duties relating to corporations to the Department of Treasury.
Executive Order No. 1972-4, effective July 1, 1972, transferred powers and duties relating to corporations from the Department of Treasury to the Department of Commerce.
The Revised Uniform Limited Partnership Act, P.A. 162 of 1982 transferred responsibility for formation and statutory administration of limited partnership act from the counties to the Department of Commerce.
Executive Order No. 1991-2 transferred from Treasury to Commerce the responsibility for collection of the corporate privilege and franchise fees and license fees collected by the Corporation and Securities Commission.
The Uniform Partnership Act, P.A. 72 of 1917, was amended by P.A. 323 of 1994, Section 48(6) creating registration of limited liability partnerships with the Department of Commerce.
Executive Order No. 1996-2 renamed Department of Commerce to the Department of Consumer and Industry Services.
October, 2000 the Corporation Division moved to the Bureau of Commercial Services.
Executive Order No. 2003-18 renamed Department of Consumer and Industry Service to Department of Labor & Economic Growth.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

ADMINISTRATIVE RULES

License and Registration Renewals, R 339.1001 et seq., Michigan Administrative Code
Disciplinary Proceedings, R 339.1701 et seq., Michigan Administrative Code

CUSTOMER IDENTIFICATION:

General public, certified public accountants, attorneys, businesses, or any entity who wishes to create or update its file. General public, businesses, governmental agencies, credit agencies, attorneys, court systems, investigative agencies and any customers who would need information about entities, certificates or copies of these records. Any citizen who purchases or relies on a service provided by a licensee.

CRITICAL GOALS/MAJOR OBJECTIVES and RESULTS

CORPORATION DIVISION:

Program Goals:

A. Provide accurate information in a timely manner to customers filing with this agency and facilitate the formation of new entities.

1. Review all expedited documents within 1-hour, 2-hours, same day, or 24 hours as requested by customer.
2. Review all other documents within the 10 business day statutory requirement. As of 09/30/10, one hundred percent (100%) of documents met this requirement.
3. Process all comment letters within 10 days of receipt of document. As of 09/30/10, one hundred percent (100%) of letters met this requirement.
4. Complete entry and expedited on same day, complete all other entry by next business day, scan and film on second day, and place in return mail to customer by third day.¹
5. Complete all expedited copy requests within 24 hours.
6. Complete other copy requests within 3 days. As of 9/30/10, one hundred percent (100%) of requests met this goal.²
7. Provide monthly listing of new entities to subscribers.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

B. Encourage the formation of business entities in Michigan.

1. Facilitate and encourage the online submission of documents. The new corporation database will be implemented in the fall of 2011; the implementation of the new database will coincide with the elimination of fax submissions. It is anticipated that in 2011 the Corporation Division will see a significant increase in online submissions.

2. Facilitate the entity conversion process. The Corporation Division is supporting a bill proposing to amend the Michigan Limited Liability Company Act; the proposed amendments include changes to permit the conversion of other business entities into LLCs and the conversion of LLCs into other business entities.

C. Simplify the process of conducting business in Michigan.

1. The Corporation Division will integrate with the Michigan Business One Stop in the fall of 2011 at the time of the implementation of the new Corporation Division database.

2. Facilitate and encourage the online filing of Annual Reports, Annual Statements and Assumed Names. The new Corporation Division database will be implemented in the fall of 2011 and with the new system customers will be able to automatically file certain documents online.

D. Provide timely and relevant communications to the business community.

1. The new Corporation Division database will provide the ability to disseminate online, real time broadcast messages to our customers.

E. Facilitate the growth and development of nonprofit corporations in Michigan.

1. The Corporation Division provides Nonprofit Seminars in conjunction with the Internal Revenue Service, the MI Department of Treasury and the Charitable Trust Division of the Attorney General's Office. In 2010 the Division provided eight of these seminars with a total of 170 attendees.

¹ *Recurring issues with older equipment has caused some delays in scanning for up to 2 weeks. Order System did not operate correctly at various times during the year so that orders normally processed automatically by fax had to be completed manually. At the end of Fiscal Year 2009, orders for delivery by mail were still being completed manually due to unresolved issues with the program. Even with the manual steps required, staff was still able to provide all copy requests within 3 days*

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Processes/Services

Corporation Division is organized into two sections, Document Review and Business Services. Document Review processes documents to create new business entities and subsequent documents such as amendments, restated articles, and mergers. Business Services is the phone center for the Division and provides support to paraprofessional and professional staff, staffs the reception desk, reviews annual reports and statements, updates and maintains records on data base, stores and retrieve documents, and completes orders for copies and certificates. In Document Review section, approximately 9,694 documents and annual reports and statements reports were submitted on an expedited basis and the goal is to meet customer's request for the requested level of expedited service. Review of 100% of non-expedited documents was completed within 10 days.

Expedited Service – Public Acts 217-220 of 2005 requires expedited service to be provided within 1 hour, 2 hour, same day or 24-hour service when requested by customer. As of September 30, 2010, the Corporation Division has reviewed 9,694 documents and annual reports and statements accompanied by a request for expedited service and collected \$640,818 in expedited fees.

Automatic Call Distribution - Calls are received through an automatic call distribution system ("ACD") and routed to the next available clerk. The ACD allows clerks to log in and out throughout the day as demand increases or decreases. Expand training for the staff; callers receive assistance from the person answering the telephone instead of having to be transferred to someone else. In March of 2009, Corporation Division staff assumed an additional task of closing tickets on calls or emails transferred from the Customer Assistance Center (CAC) as part of Michigan Business Process Improvement Initiative. The CAC monitors and tracks all inquiries received, whether by phone or email, through the web based program Siebel. When a call is transferred or an email is forwarded from the CAC to the Corporation Division, in addition to answering the question, taking an order, or transferring the call to an examiner or review technician, the staff member must also take ownership of the ticket in Siebel, close the ticket, and provide a brief description of the resolution. In addition, management must also monitor Siebel to make sure all tickets are properly closed. From October, 2009 through September 2010, a total of 2,971 tickets were closed by the Corporation Division.

Business Services Unit – Units A and B are assigned all corporation renewals of existence and Limited Liability Company restorations of good standing.

Departmental Technicians within the specific units have been cross trained to process all renewals, restorations and related documents from start to finish. Collection of Unpaid Invoices – Staff continues to collect on past due invoices by sending a past due invoice and a notice that future orders will be delayed until payment is received. For October, 2009 through September, 2010 past due notices were sent every month and a total of 73% in fees have been collected. Reason this percentage is lower is because we collect up front for any orders that are over \$100. In FY 09 a total of 60.8% of the fees were collected.

Managing Software and Hardware Issues – The Division continues to have problems with production due to the legacy system. Ongoing concerns include errors related to the order system, the Mich-Elf electronic fax filing program, and the scanning program. These recurrent technical issues affirm the importance and priority of completing the rewrite of our database.

In 2010, the Division committed a significant number of hours to the review of Business Requirements, with the intention of completing the review prior to the year end. To date, the Corporation Division Rewrite project has documented 1,681 business requirements, 1,367 of which have been validated. We anticipate that the review of business requirements will be complete at the end of November 2010, with the final number of business requirements totaling near 1,750. Functional design of the database has already begun and will continue through the year end. We project that the new system will be ready for implementation in fall 2011.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

The Division continues to partner with the Michigan Business OneStop Team. We are in constant contact with the OneStop Customer Assistance Center; providing them regular updates and/or instruction related to our policies and procedures, including employee training. As we look toward integration of the new Corporation Division database with the Michigan Business Onestop, we continue to engage in discussions related to business requirements, security concerns and more.

Communication to staff and Training – Single topic Policy Meetings remain an effective method for informing and advising staff of changes to policies and procedures. The information provided in these sessions is central to the core functions of the Business Services and Document Review staff. This year Policy Meetings were held addressing issues related to the Michigan Business OneStop Agency Tool (“BOAT”), Business Entity Search and legislation amending the Limited Liability Company and the Professional Service Corporation Acts; to include a physician’s assistant (PAs) in the definition of learned profession and to allow PAs to form either PCs or PLLCs with a physician.

PROGRAM EFFECTIVENESS and Efficiency (Current Year)

Program Goals/Metrics

See attached charts.

Performance Measures

Timeliness: Expedited within 1-hour, 2-hours, same day or 24 hours based on customer request; respond immediately to phone calls, provide copies or certificates within 3-5 working days; all others within statutory time frames.

Customer Satisfaction: Level of complaints about quality of service - Demand for changes to filing and review system.

Availability of copies of filed information. Provide expanded methods for obtaining this information. See attached charts.

PROGRAM IMPROVEMENTS MADE FOR FY 2010

1. Work with Project Manager and Department of Information Technology to meet the project milestones to complete rewrite of the Corporation Division’s data base and image storage and retrieval system.
Desired Result: Complete development and conversion and implement new system in August, 2010.
Status: Nearing completion of review of business requirements planned for Fall, 2011.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

2. Work with Department of Information Technology and One Stop integration team to facilitate online submission of documents to the Corporation Division using Michigan Business One Stop in August, 2010.
Desired Result: Customer will be able to submit online all documents permitted or required to be filed with the Corporation Division and pay the fees by credit card by August, 2010.
Status: We did not reach our goal of August, 2010. We are still working on requirements; then functional design and testing. We are looking at possible implementation in the Fall of 2011.
3. Review and update Records and Retention Schedule for the Corporation Division re-write project plan and integration on online submissions with Michigan Business One Stop.
Desired Result: Review and recommend revisions to Record Retention and Disposal Schedule by September, 2010.
Status: Review of Record Retention and Disposal Schedule has begun and anticipate review will be complete in Spring, 2011.
4. Review and revise procedures and policies, as needed, by July 2010, in light of changes which will occur with the implementation of the new data base and image storage and retrieval system.
Desired Result: Staff will be familiar with changes in policies and procedures at least 30 days before the implementation of the new system.
Status: Review has begun and will continue with updated policies and procedures to be available prior to the completion of the corporation database rewrite.
5. Develop a written plan by June, 2009 for conversion of OUT cards and records stored at Record Center to a database and scan and film images.
Desired Result: Preserve the records and make available to the public on the website. A preliminary plan was completed in June, 2009 and a detailed plan with cost estimates from Graphic Sciences was requested in September, 2009.
Status: This plan has been delayed.

PROGRAM IMPROVEMENT PLANS FOR FY 2011

1. Work with Project Manager and Department of Information Technology to complete the rewrite of the Corporation Division web based application system.
Desired Result: Complete review of business requirements and establish new implementation date.
3. Review and revise policy and procedures manuals. Revise manuals to reflect changes to policies and procedures and to ensure they reflect the implementation of the new database.
Desired Result: Review of the Document Review manuals have already begun. Review of Business Services has not started. Both are to be completed prior to the implementation of the new system.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

4. Develop a written plan by June, 2009 for conversion of OUT cards and records stored at Record Center to a database and scan and film images.
Desired Result: Preserve the records and make available to the public on the website. A preliminary plan was completed in June, 2009 and a detailed plan with cost estimates from Graphic Sciences was requested in September, 2009.

CHALLENGES FOR FY 2011 and BEYOND

- Implementation of expanded online services for submission of documents, placing of orders, and obtaining information.
- Managing integration of services with Michigan Business One Stop to ensure customer receives accurate information and efficient service.
- Conversion of liber books, paper documents records stored at Record Center and OUT cards stored at the Corporation Division to electronic records to ensure their permanent preservation.
- Staffing will be a concern as a result of the early retirement option; the ability to backfill is yet uncertain. The Division continues its efforts in succession planning.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

POLICY & ADMINISTRATIVE SERVICES

Goals

The effectiveness of Policy & Administrative Services is measured by the timeliness of processing audits. In addition, the unit administered the Construction Lien Fund, monitors final order compliance, monitor contracts for the development/ administration of licensing exams, provide technical support for the pre-licensure and continued education programs and to provide centralized support services to the bureau.

Administrative Services also provides service functions to the other divisions within the Bureau. It is the division goal to provide excellent service to our customers, internally and externally.

Final Order Compliance Monitoring

1. Ensure that the Builders Board Final Orders are posted to the web timely, as required by statute.
2. Ensure compliance within timelines set forth in Final Orders and timely requesting appropriate licensing actions when warranted

Scanning/Imaging

1. Establish and provide training of licensing staff on document preparation procedures, as needed
2. Maintain regular workflow of licensing documents being imaged in order to reduce lag time for viewing documents electronically

Informational Sales Program

1. Expand ordering information available on the website for Informational Sales Program

Construction Lien Recovery Program

The Homeowner Construction Lien Recovery Fund (HCLRF) was repealed effective August 23, 2010. Pursuant to Attorney General Advice the HCLRF must still collect funds due to the fund prior to August 23, 2010. The HCLRF must also pay-out liabilities incurred prior to August 23, 2010, as funding allows. Therefore, this constitutes a continued need for appropriations to the HCLRF until all pre-August 23, 2010 liabilities are paid.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Testing, Education and Program Services Section

1. Resolve requests for IT Services timely.
2. Respond to requests for IT Services with expected action and time estimate.
3. Complete initial review of precicensure course approval for Real Estate, Appraisers and Builders timely.
4. Process continuing education for Real Estate and Appraisers timely.

Performance Measures

Audit Section

Expectation Objective

90% Process cases through the Audit Section within six months of the audit start or the complaint receipt date.

Status: The Audit Section completed 39% of the audits within the six month time period. An additional 29% were related to the conservation and investigation of specific cemeteries trust fund embezzlements, therefore they could not be closed within the stated time of the objective. The remaining 33% were beyond the six months due to the investigation into large scale cemetery and prepaid funeral trust/escrow account embezzlements.

Challenges For FY 11 and Beyond:

The large number of death care industry related misappropriation of trust/escrow funds has and will place a strain on the Audit Section's ability to perform statutorily mandated audits.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Informational Sales Program

Expectation Objective

85% Respond to sales inquiries within 3 business days with a price quote
Status: This objective was met.

85% Mail out requested data within 1-2 business days after receipt of payment
Status: This objective was met.

Construction Lien Program

Expectation Objective

90% Process and submit requests for legal representation to Attorney General office within 3 business days of the receipt of the complaint
Status: This objective was met.

85% Submit requests for administrative complaints against the licensee within 30 days of payout, provisional on receipt of proper closing documents from Attorney General
Status: This objective was met.

Testing, Education and Program Services Section

Expectation Objective

85% Resolve requests for IT Services within 5 business days of receipt
Status: This objective was met.

90% Response to requests for IT Services with an expected action or time estimate within 2 business day of receipt
Status: This objective was met.

85% Complete initial review for prelicensure and continuing education course approval for Real Estate within 45 days of receipt.
Status: This objective was met.

85% Complete initial review for prelicensure and continuing education course approval for Real Estate Appraisers within 45 days of receipt.
Status: This objective was met.

85% Complete initial review for prelicensure and continuing education course approval for Residential Builders within 45 days of receipt.
Status: This objective was met.

85% Process continuing education credit hours for Real Estate and Real Estate appraisers within 5 business days of receipt from sponsors.
Status: This objective was met.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

PROGRAM IMPROVEMENT PLANS FOR FISCAL YEAR 2010:

Homeowner Construction Lien Recovery Fund & Support Services Section

1. Continue implementation of bureau wide standards for the imaging process.
Desired result: To facilitate a more expedited access to files
2. Post a detailed base price list and a listing of all professions/occupations on the Information Sales Program webpage to assist customers in determining which data lists to purchase.
Desired result: To reduce the processing time for requested data.
3. Expand on-line application process for the Construction Lien Fund.
Desired result: To reduce the processing time for membership applications and renewal applications
4. Develop a plan to maintain an electronic warehouse of HCLRF claim files on Alchemy (provide access to Attorney General)
Desired result: To facilitate a more expedited access to files
5. Continue efforts to increase services available on-line to the licensees and the general public.
Desired result: To expand services expeditiously to the licensees
6. Investigate alternative methods for the collection procedures against builders for HCLRF payouts
Desired result: To improve on the collection rates of outstanding debts that is owed to the HCLRF and to increase revenue for the operation of the program
7. Scan licensing documents, conduct quality control and complete verification process within 3-4 business days of receipt of documents in office; upload images into Alchemy for staff access
Desired result: To facilitate a more expedited access to files
8. Scan and upload the HCLRF closed claim documents within 15 business days for Alchemy
Desired result: To provide access to files electronically and to reduce need for storage of paper files
9. Upload copies of all Final Orders issued by the BCS Licensing Boards into Alchemy within 15 business days of issuance.
Desired result: To provide access to files electronically and to reduce need for storage of paper files
10. Increase number of electronic transfers of files to the Attorney General's office
Desired result: To provide access to files electronically more expeditiously

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

- 11 Convert our office files to an electronic system using Alchemy (original paper to AG office, we would maintain electronic)
Desired result: To facilitate a paperless filing system in the office
12. Complete review and verification of special assessment payments/membership applications on the CL database system in order to meet retention schedule requirements
Desired result: To reduce storage of payment records within the office.

Testing, Education and Program Services Section

1. Extend the Barber/Cosmetology Examination Contract with PSI through July 31, 2010
Desired result: to fulfill contractual obligation
Extend the Real Estate, Appraisers and Low Volume Examination Contract with PSI through July 31, 2010
Desired result: to fulfill contractual obligation.
2. Write RFP and contract for prelicensure, continuing education and continuing competency collection and tracking of and completion of by licensees.
Desired result: to have an outside vendor track prelicensure, continuing education and continuing competency for all professions licensed/registered within the bureau
4. Implement or amend examination contracts to provide for on-site licensure for various occupations/professions
Desired result: the bureau would like implement on-site licensure for all occupations/professions which are licensed/registered within the bureau
5. Request updated copies of all examination item banks from PSI
Desired result: to fulfill contractual obligations
6. Complete the transition to the revised Hearing Aid Dealers theory examination and the Hearing Aid Salesperson theory and practical examinations
Desired result: to fulfill contractual obligations
7. Complete writing of Residential Builders and Maintenance & Alteration Contractors Administrative Rules due to new legislation which was passed to require prelicensure coursework before taking the examination and continuing competency for renewal of the license.
Desired result: the bureau needs to get new rules promulgated regarding the requirement for approval and reporting of continuing competency.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

CHALLENGES FOR THE FY 2010 AND BEYOND:

1. Resources are significantly decreasing for the Bureau to effectively regulate certain programs.
2. Meeting statutory mandates and provide sufficient number of audits to provide adequate level of consumer protection and protection of trust funds.

PROGRAM IMPROVEMENT PLANS FROM FISCAL YEAR 2010:

1. Work with division staff to make more on-line services available to licensees and the general public.
Status: More on-line links and services have been added.
2. Extend the On-site Licensing program to additional boards
Status: This work will continue, focusing on professions with large memberships. This step creates better service for potential licensees in the affected professions.
- 3.. Continue investigation of death care related trust funds investigation with limited staffing and budget.
Status: Investigations continuing.

PROGRAM STATEMENT

Legal Affairs Division:

The division provides general in-house legal services within the bureau and arranges for agency legal representation in contested cases using its in-house attorneys (administrative law specialists), or through the department of attorney general, licensing & regulation division under a memorandum of understanding (MOU) for two AAG/FTE's. The division's support unit is charged with maintaining detailed records concerning over 400 Formal Complaint actions per annum and resulting Final Orders from disciplinary action; over 1,000 notices to ensure procedural due process concerning compliance conferences and hearings; over 400 FOIA record requests each year. The division is a point of contact for appeals of final orders in circuit court and other litigation that involves State appellate courts or federal courts, and coordinates all court of record representation with the department of attorney general.

The office of the state cemetery commissioner, on behalf of the department director, administers Public Act 251 of 1968 that establishes a regulatory scheme for this unique industry to protect the public interest by coordinating activities with other bureau areas and the department of attorney general. The mission extends to auditing trust funds, investigation of consumer complaints, licensing/registration, litigation management, rulemaking, and policy development. This includes assessing legislation and taking the initiative to ensure adequate cemetery oversight and owner accountability.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

FUND SOURCE:

Corporation Fees
Limited Liability Partnership Revenue
Certification & Copying fees
Real Estate Education Fund
Real Estate Appraiser Continuing Education Fund
Licensing & Regulation Fees
Construction Lien Fund
Accountancy Enforcement Fund
Residential Builders & Maintenance & Alteration Contractors Enforcement Fund

LEGAL BASIS:

Enforcement Division, Licensing Division, Legal & Cemetery Division, and Policy & Administrative Services:

PA 299 of 1980 (Occupational Code) MCL 338.101 et seq.

PA 152 of 1979 (State License Fee Act) MCL 338.2201 et seq.

PA 497 of 1980 (Construction Lien Act, Recovery Fund provisions) MCL 570.1101 et seq. (Note: Recovery Fund provisions repealed effective 8/23/10, 2010 PA 147.)

PA 259 of 1931 (Building Contract Fund) MCL 570.151 et seq.

PA 251 of 1968 (Cemetery Regulation Act) MCL 456.521 et seq.

PA 199 of 1962 (Ski Area Safety Act) MCL 408.321 et seq.

PA 225 of 1966 (Carnival-Amusement Safety Act) MCL 408.651 et seq.

PA 172 of 1972 (Forensic Polygraph Examiners Act) MCL 338.1701 et seq.

PA 255 of 1986 (Prepaid Funeral & Cemetery Sales Act) MCL 328.211 et seq.

PA 330 of 1968 (Private Security Business and Security Alarm Act), MCL 338.1051 et seq.

PA 285 of 1965 (Professional Investigator Licensure Act), MCL 338.821 et seq.

PA 161 of 2004 (Michigan Immigration Clerical Assistant Act), MCL 338.3451 et seq.

PA 403 of 2004 (Michigan Unarmed Regulatory Act) MCL 338.3601 et seq.

PA 286 of 1972 (Land Sales Act) MCL 585.801 et seq. (Note: Repealed effective 4/22/10, 2010 PA 49) PA 263 of 2005 (Vehicle Protection Product Act) MCL 257.1241 et seq.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

ADMINISTRATIVE RULES

Unarmed Combat Regulatory Commission, R 339.101 et seq., Michigan Administrative Code
Board of Accountancy, R 338.5101 et seq., Michigan Administrative Code
Board of Architects, R 339.15101 et seq., Michigan Administrative Code
Board of Barber Examiners, R 339.6001 et seq., Michigan Administrative Code
Board of Cosmetology, R 338.2101 et seq., Michigan Administrative Code
Board of Examiners in Mortuary Science, R 339.18901 et seq., Michigan Administrative Code
Board of Landscape Architects, R 339.19001 et seq., Michigan Administrative Code
Board of Professional Engineers, R 339.16001 et seq., Michigan Administrative Code
Board of Professional Surveyors, R 339.17101 et seq., Michigan Administrative Code
Board of Real Estate Appraisers, R 339.23101 et seq., Michigan Administrative Code
Board of Real Estate Brokers and Salespersons, R 339.22101 et seq., Michigan Administrative Code
Carnival-Amusement Safety Board, R 408.801 et seq., Michigan Administrative Code
Cemetery Commissioner, R 456.101 et seq., Michigan Administrative Code
Collection Practices Board, R 339.4001 et seq., Michigan Administrative Code
Forensic Polygraph Examiners, R 338.9001 et seq., Michigan Administrative Code
Foresters, R 339.18001 et seq., Michigan Administrative Code
Hearing Aid Dealers, R 338.1901 et seq., Michigan Administrative Code
Interior Design, R 339.601 et seq., Michigan Administrative Code
Occupational Boards General Administrative Rules (Fee Refunds), R 338.941 et seq., Michigan Administrative Code
Occupational Boards, General Administrative Rules (Renewals), R 339.1001 et seq., Michigan Administrative Code
Occupational Boards, Part 7, Disciplinary Proceedings, R 339.1701 et seq., Michigan Administrative Code
Personnel Agencies, R 339.5001 et seq., Michigan Administrative Code
Prepaid Funeral and Cemetery Sales, R 339.11 et seq., Michigan Administrative Code
Private Security Guards and Security Alarm Contractors, R 28.4001 et seq., Michigan Administrative Code
Professional Community Planners, R 339.20001 et seq., Michigan Administrative Code
Residential Builders and Maintenance and Alteration Contractors, R 338.1511 et seq., Michigan Administrative Code
Ski Area Safety Board, R 408.61 et seq., Michigan Administrative Code

CUSTOMER IDENTIFICATION:

General public, licensees, consumers, attorneys, businesses, and other persons who provide or seek information about regulated persons or entities, including a person who reports violations under the various regulatory statutes or rules.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

CRITICAL GOALS/MAJOR OBJECTIVES and RESULTS

LEGAL AFFAIRS DIVISION:

Program Goals:

To provide legal services support to agency licensing and enforcement activities, and statutory compliance efforts:

1. Complete review of complaint information, after investigation, to determine if a sufficient evidentiary basis exists to continue with formal complaint actions against regulated persons; if so, draft formal complaints.
2. Promptly serve formal complaints.
3. Provide for agency representation to prosecute contested cases, using agency and Department of Attorney General personnel resources.
4. Monitor conduct of representation and case progress to account for case status and outcome.
5. Arrange for and monitor Department of Attorney General representation in court appeals of agency administrative cases and other litigation.
6. Administer the Cemetery Regulation Act, 1968 PA 251; coordinate resolution of issues within the bureau and department.
7. Coordinate services with other divisions, collaboratively resolve issues, and assist bureau or department management.

Processes/Services

The division administers compliance and hearing proceedings, Freedom of Information Act requirements, court appeals & litigation support as well as agency representation in contested cases, including coordinating services provided by the department of attorney general.

The division works closely with all bureau areas to provide assistance on legal matters and to prosecute agency cases. It also coordinates activities with the State Office of Administrative Hearings & Rules (SOAHR) for the scheduling of due process hearings. The division's director also serves as the state cemetery commissioner, as a designee of the department director, and is responsible for coordinating the administration of cemetery regulation within the State.

PROGRAM EFFECTIVENESS and Efficiency (Current Year)

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

SUMMARY STATISICAL INFORMATION (Quarter Ending September 30, 2010 and Immediate Prior Quarters)

	<u>Sept. 30th, 2010</u>	<u>Q end June 30th, 2010</u>	<u>Q end Mar. 31st, 2010</u>	<u>Q end Dec. 31st, 2009</u>	<u>Q end</u>
<u>HEARING</u>					
Hearings Held:		62	66	27	45
New Hearings Opened:		57	86	61	39
Hearings Closed:		93	67	69	81
Hearing actions per SOAHR*:		67	79	56	70
* Adjournments, cancellation					

CMPLIANCE CONFERENCES

Conferences Scheduled		89	89	75	61
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FINAL ORDER PROCESSING

Final Orders Served		86	89	100	101
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FORMAL COMPLAINT SERVICE*

Formal Complaints Served		102	115	126	87
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* The figures exclude civil action and any required service.

FOIA

Requests		92	98	124	141
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Different Subjects (estimate)		89	89	122	104
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FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Billing Amount	1,925	\$1,684	\$1,247	\$1,506
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Note: Figures based on current report information for each period. Numbers may not reconcile between different reporting sources.

Program Goals/Metrics

See attached charts

Performance Measures

Expectation Objective

- | | |
|------|--|
| 100% | Respond to Freedom of Information Act requests within 5-business day statutory deadline, or 15-business day deadline with an extension. (As of 09/30/10, the performance measurement goal of replying within the statutory deadlines was not 100% met. The rate was 99.5 with 2 exceptions out of a total of over 400 requests that contained multiple parts. One exception was due to a delay with a request being identified as a FOIA; the other was a delay related to final review of claimed exemptions for extensive amounts of records. Charts below reflect the number of requests answered without the claimed extension allowed by statute. The rate of response within 5-days was near 96%.) |
| 90% | Draft Stipulations within 14-business days after the compliance conference negotiation process is concluded, if a settlement results from the process. (As of 09/30/10, the performance measurement goal of drafting stipulations at the 90% rate within the 14-day period was not met. The rate fell to 74% due to delays in the reporting of the completion of conferences and the prompt drafting of stipulations due to other required activities.) |
| 90% | Serve Final Orders within 14-business days after receipt of the board (chair) signature approval. (As of 09/30/10, the performance measurement goal of serving Final Orders at the 90% rate within 14-days was exceeded. The rate was near 100%.) |

Program Improvements Made

1. On-going coordination with Enforcement and Licensing Divisions to reduce unnecessary processing of new cases when a licensee has already been suspended or revoked and there is no citizen restitution interest at issue or Department practice precludes seeking restitution as a disciplinary sanction or other statutory issue exists.
Desired Result: Eliminate redundancy of disciplinary action; reduce number of cases forwarded to the SOAHR for hearings; better use of scant resources to more efficiently increase timeliness of new disciplinary actions.
Status: Continuation of evaluation of construction lien cases where a judgment exists. Evaluation and implementation for other case types is on-going; use of other alternative dispute resolution when possible.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

2. Support agency efforts to work with the Department of Information Technology and One Stop integration team to facilitate implementation of online licensing processes.
Desired Result: Provide advice about impact involving procedural due process and disciplinary actions. Assist with simplification of processes where possible.
Status: Initial assistance and advice provided; on-going participation when requested.
3. Update formal complaint, stipulation, and final order processes or documents to reduce inconsistency or confusion. This includes issuing an update to the "standard stipulation clauses" document to all agency hearing representatives/attorneys (agency administrative law specialists and assistant attorneys general) and conferees.
Desired Result: Gain compliance with standard language to facilitate final order monitoring; interpretation of stipulation provisions; eliminate compliance issues.
Status: Initial review and drafts were completed prior to 9/30/10; on-going review is taking place. Final draft document for guidance concerning Stipulations is expected to be issued by February 2011.
4. Review and revise processes, as needed, in light of budgetary pressures and more efficient use of personnel.
Desired Result: Work with bureau management and department personnel to respond to a developing and fluid situation in FY11 and beyond.
Status: Review is on-going.
5. Continued follow up on requirements stemming from amendments to the Cemetery Regulation Act, 1968 PA 251, and existing statutory language.
Desired Result: Ongoing assessment of industry compliance with the Act pertaining to third-party trusting and CPA reporting requirements; assurances of discontinuance of violations have been utilized to stimulate compliance. Drafting of new or amended rules required by the Act; assist industry with Act compliance.
Status: Initial status assessment was completed before 9/30/09; review of existing rules completed; drafting of new or amended rules 99% completed before 9/30/10 though a delay exists due to new issues that are near final resolution (expected completion date of December 2010); trust agreements have been reviewed on an on-going basis from the date of the amended Act (January 2008); industry compliance rate is affected by the cost of compliance and current economic conditions. The commissioner continues to work with industry representatives on ways to increase compliance rates and still maintain accountability over trust monies.
6. Review areas of concern to the department, bureau, and industry concerning the Cemetery industry.
Desired Result: Determine if further statutory amendments are necessary or can be supported by the department.
Status: Efforts are on-going and coordinated with the Department's Office of Policy & Legislative Affairs.
7. Resolve issues related to cemetery conservatorships and on-going litigation activities. Work collaboratively with the conservator(s) and Department of Attorney General.
Desired Result: Conclude litigation as quickly and least costly as possible; resolve need for conservatorship(s), when possible.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Status: The Chapel Hill (Robert Nelms) conservatorship was finalized prior to 9/30/10 with a sale of the cemetery and a global resolution of issues involving the State of Indiana and its receivership over corporate assets for a parent entity to Chapel Hill.

PROGRAM IMPROVEMENT PLANS FOR FY11

1. Continue to work with Enforcement and Licensing Divisions, and Bureau Management, to reduce unnecessary processing of new cases.
Desired Result: Eliminate redundancy of disciplinary action, reduce cases sent to the SOAHR for hearings, use scant resources more efficiently to decrease time for conclusion of more serious disciplinary actions.
2. Support continued agency efforts to work with Department of Information Technology and One Stop integration team to facilitate implementation of online licensing processes.
Desired Result: Provide advice about impact involving procedural due process and disciplinary actions. Assist with simplification of processes where possible.
3. Continued update of formal complaint, stipulation, and final order processes or documents to reduce inconsistency or confusion for compliance monitoring efforts. This includes issuing an update to the "standard stipulation clauses" document to all agency hearing representatives/attorneys (agency administrative law specialists and assistant attorneys general) and conferees; resolve issues related to bankruptcy and Department of Treasury collection.
Desired Result: Gain compliance with standard language to facilitate final order monitoring; interpretation of stipulation provisions; reduce compliance issues. Resolution of issues on a case-by-case basis.
4. Continue to review and revise processes, as needed, in light of budgetary pressures and more efficient use of personnel.
Desired Result: Work with bureau management and department personnel to respond to a developing and fluid budget situation in FY11 and beyond.
5. Continue with work to ensure adherence to requirements under the Cemetery Regulation Act, 1968 PA 251.
Desired Result: Continued monitoring of the status of industry compliance with the Act; promulgation of rules; assist industry with Act compliance, including third-party trusting.
6. Review areas of concern to the department, bureau, and industry concerning the Cemetery industry.
Desired Result: Determine if further statutory amendments are necessary or can be supported by the department.
Status: Efforts are on-going and coordinated with the Department's Office of Policy & Legislative Affairs.
7. Continue to resolve issues related to cemetery conservatorships and on-going litigation activities.
Desired Result: Work collaboratively with the conservator(s) and Department of Attorney General to conclude litigation as quickly and as least costly as possible.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

CHALLENGES FOR FY11 and BEYOND

- Timely service delivery, if there is a reduction of current resources due to budgetary issues.
- Timely service delivery if licensed or registered occupations, professions, or areas expand without a concomitant increase in resources to process cases in accord with procedural due process requirements.
- Business One Stop's impact on workloads and disciplinary case processing, if licenses are immediately issued without intensive front-end evaluation and qualification review/verification.
- Administration of the Cemetery Regulation Act if poor economic conditions continue for an extended period, placing stress on registrants and the overall industry.

CHARTS

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Bureau of Commercial Services
Legal Affairs Division
Office of the State Cemetery Commissioner
Fiscal Year 2010

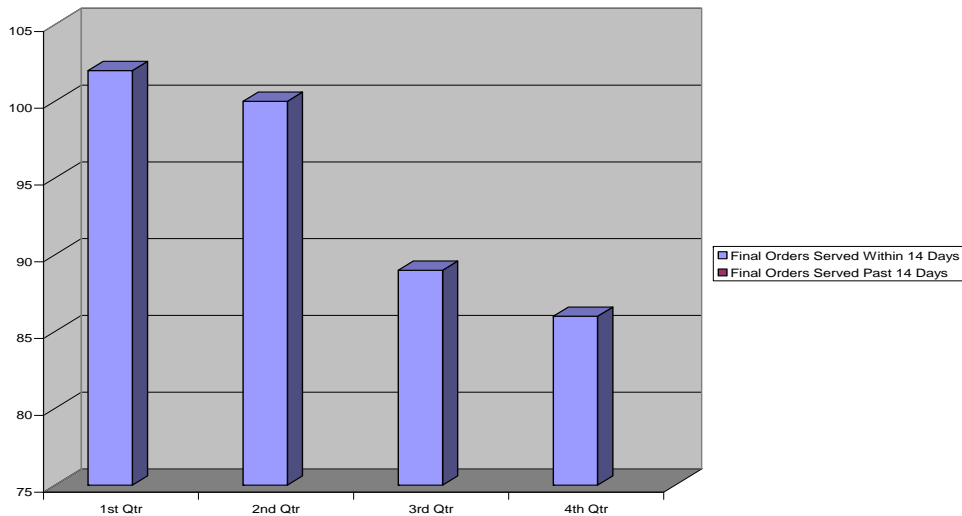
Expectation

90%

Objective

Final orders served within 14 days of receipt.

1st Quarter: 102 Final Orders out of 102 orders to be served
2nd Quarter: 100 Final Orders out of 100 orders to be served
3rd Quarter: 89 Final Orders out of 89 orders to be served
4th Quarter: 86 Final Orders out of 86 orders to be served



FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Bureau of Commercial Services
Legal Affairs Division
Office of the State Cemetery Commissioner
Fiscal Year 2010

Expectation

90%

Objective

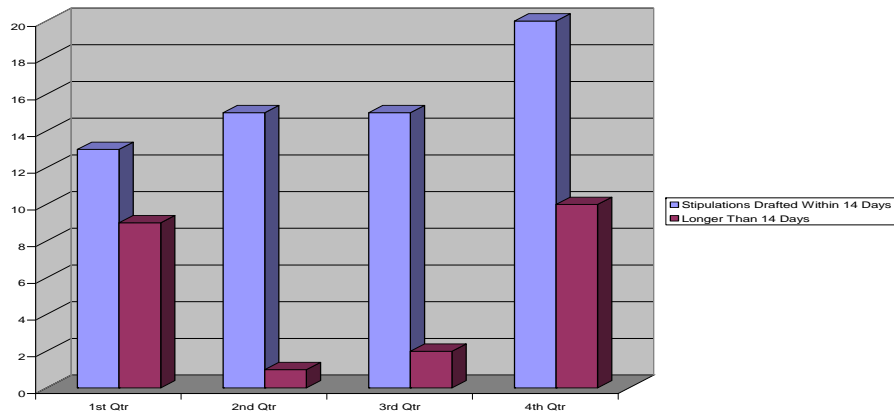
Stipulations drafted within 14 days of compliance conference.

1st Quarter: Drafted 13 Stipulations out of 22 to be drafted

2nd Quarter: Drafted 15 Stipulations out of 16 to be drafted

3rd Quarter: Drafted 15 Stipulations out of 17 to be drafted

4th Quarter: Drafted 20 Stipulations out of 30 to be drafted



FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 106 Occupational Regulation

PROGRAM: BUREAU OF COMMERCIAL SERVICES

Bureau of Commercial Services
Legal Affairs Division
Office of the State Cemetery Commissioner
Fiscal Year 2010

Expectation

Objective

100%

Process FOIA requests within statutory time frames

1st Quarter: 102 FOIA requests processed out of 102 received

2nd Quarter: 124 FOIA requests processed out of 125 received

3rd Quarter: 93 FOIA requests processed out of 94 received

4th Quarter: 89 FOIA requests processed out of 89 received