
EXECUTIVE
REORGANIZATION ORDERS

EXECUTIVE REORGANIZATION ORDERS**[No. 2001 - 1]****18.41 Creation of department of information technology; transfer of authority, powers, and duties relating to information technology services within executive branch or agency to the department of information technology by type II transfer; transfer of certain authority, powers, duties, and functions from the department of management and budget to the department of information technology by type II transfer; abolishment of Michigan information network advisory board and transfer of its functions to department of information technology by type III transfer.**

WHEREAS, Article V, Section 1, of the Constitution of the state of Michigan of 1963 vests the executive power in the Governor; and

WHEREAS, Article V, Section 2, of the Constitution of the state of Michigan of 1963 empowers the Governor to make changes in the organization of the Executive Branch or in the assignment of functions among its units which he considers necessary for efficient administration; and

WHEREAS, certain functions, duties and responsibilities currently assigned to other state departments can be more effectively carried out by a new principal Department of Information Technology; and

WHEREAS, reorganizing information technology management functions into a new principal department with a cabinet-level Chief Information Officer will promote a unified approach to information technology management for executive branch agencies; and

WHEREAS, the creation of a new Department of Information Technology will improve the management of information technology investments and allow the state to establish stronger strategic relationships with business partners; and

WHEREAS, the creation of a new Department of Information Technology will strengthen central policymaking and direction-setting in all areas of information technology, bring about improved information management and data standardization, and catalyze the use of improved project management practices and strategic technology infrastructure planning; and

WHEREAS, improvements are necessary to provide the customers of the state of Michigan - be they citizens, businesses or employees - with an improved delivery of state services; and

WHEREAS, it is necessary in the interests of efficient administration and good government to effect these changes in the organization of the Executive Branch of government.

NOW, THEREFORE, I, John Engler, Governor of the state of Michigan, pursuant to the powers vested in me by the Constitution of the state of Michigan of 1963 and the laws of the state of Michigan, do hereby order the following:

I. DEFINITIONS

As used herein:

A. The "Department of Management and Budget" means the principal department created by Section 121 of Act No. 431 of the Public Acts of 1984, being Section 18.1121 of the Michigan Compiled Laws.

B. The “Michigan Information Network Office” means the entity created by Executive Order 1995-14, being Section 18.1695 of the Michigan Compiled Laws.

C. The “Michigan Information Network Advisory Board” means the entity created by Executive Order 1995-14, being Section 18.1695 of the Michigan Compiled Laws.

D. “Information Technology Services” means services involving all aspects of managing and processing information including, but not limited to:

- application development and maintenance;
- desktop computer support and management;
- mainframe computer support and management;
- server support and management;
- local area network support and management;
- information technology contract, project and procurement management;
- information technology planning and budget management, and;
- telecommunication services, security, infrastructure and support.

II. CREATION OF THE DEPARTMENT OF INFORMATION TECHNOLOGY

A. The Department of Information Technology (hereafter “Department”) is hereby created. This Department shall be headed by a Director who shall be appointed by and serve at the pleasure of the Governor. The Director shall also serve as the state’s Chief Information Officer.

B. The Department shall lead state efforts to re-engineer the state’s information technology infrastructure with the goal of achieving the use of common technology across the executive branch.

C. The Department shall coordinate a unified executive branch strategic information technology plan, identify best practices from executive branch agencies and other public and private sector entities, and develop and implement processes to replicate information technology best practices and standards throughout the executive branch.

D. The Department shall oversee the expanded use and implementation of project and contract management principles as they relate to information technology projects within the executive branch. Funded projects within executive branch agencies shall use the project and contract management methodologies specified by the Department.

E. The Department shall serve as a general contractor between the state’s information technology users and private-sector providers of information technology products and services. The Department shall work toward building stronger partnering relationships with providers.

F. The Department shall develop service-level agreements with executive branch departments and agencies to ensure quality products are delivered on schedule and within budget.

G. The Department shall develop standards for application development including, but not limited to, a standard methodology and cost-benefit analysis that all executive branch departments and agencies shall utilize for application development activities.

H. The Department shall have the full cooperation of executive branch departments and agencies in developing and implementing the sharing of data and information throughout the executive branch. The Department shall determine and implement statewide efforts to standardize data elements and shall determine data ownership assignments among executive branch departments and agencies.

I. The Department shall develop systems and methodologies to review, evaluate and prioritize existing information technology projects within the executive branch and shall report to the Governor the status of information technology projects on a semi-annual basis.

J. The Department will assist the State Budget Office with the development of information technology budgets for the executive branch. All information technology budget requests from the executive branch will be submitted to the State Budget Office and the Department. The State Budget Office and the Department will jointly review and recommend for funding consideration only those proposals that fit into the overall strategic information technology management plan of the state and that provide a reasonable return on investment.

III. INFORMATION TECHNOLOGY FUNCTIONS AND PERSONNEL

A. Except as otherwise provided in part IV of this order, all the authority, powers, duties, functions, responsibilities, personnel, equipment and budgetary resources involved in or related to the provision of information technology services currently located within any executive branch department or agency are hereby transferred to the Department of Information Technology by a Type II transfer, as defined in Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws.

B. As necessary to accomplish the missions and goals of executive branch departments and agencies, the Director of the Department of Information Technology, or the individual designated by the Governor as the Information Technology Transition Director, may immediately detail personnel transferred from executive branch departments and agencies under the provisions of this part back to their respective department or agency of origin.

IV. DEPARTMENT OF MANAGEMENT AND BUDGET

A. All the authority, powers, duties, functions and responsibilities of the following units, teams, divisions, and offices within the Department of Management and Budget:

- the Michigan Administrative Information Network;
- the Computing Services Unit;
- the Information Technology Services Division;
- the Office of Project Management;
- the Information Technology Budget and Finance Division;
- the Office of Information Technology Solutions;
- the Telecommunications Services Unit, and;
- the Michigan Information Network Office;

including, but not limited to, the statutory authority, powers, duties, functions and responsibilities set forth in:

1. Section 203 of Act No. 431 of the Public Acts of 1984, as amended, being Section 18.1203 of the Michigan Compiled Laws (automated information processing installations);
2. Section 269(1)(b) and 269(1)(d) of Act No. 431 of the Public Acts of 1984, as amended, being Section 18.1269(1)(b) and 18.1269(1)(d) of the Michigan Compiled Laws (provision of centralized services to state agencies, specifically telecommunications and optical disc services);

3. Executive Order 1994-13, as amended, being Section 18.32 of the Michigan Compiled Laws (transfer of certain computer program analysis and programming responsibilities to the Michigan Administrative Information Network);
4. Executive Order 1994-15, as amended, being Section 18.33 of the Michigan Compiled Laws (telecommunications systems and related services);
5. Executive Order 1995-10, as amended, being Section 18.1691 of the Michigan Compiled Laws (consolidation of information processing systems for executive branch agencies);
6. Executive Order 1995-14, as amended, being Section 18.1695 of the Michigan Compiled Laws (Michigan Information Network Office); and,
7. Section 1291 of Act No. 335 of the Public Acts of 1993, as amended, being Section 380.1291[1] of the Michigan Compiled Laws (world-class statewide interactive video and data access and exchange system);

are hereby transferred from the Department of Management and Budget to the Department of Information Technology by a Type II transfer, as defined in Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws.

B. All the authority, powers, duties, functions and responsibilities of the Michigan Information Center, which is currently located in the Executive Office of the Governor pursuant to the terms of a Memorandum of Understanding and a Memorandum of Agreement executed between the Executive Office of the Governor and the Department of Management and Budget in March of 2001, upon its return from the Executive Office of the Governor to the Department of Management and Budget, is hereby transferred from the Department of Management and Budget to the Department of Information Technology by a Type II transfer, as defined in Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws.

V. MICHIGAN INFORMATION NETWORK ADVISORY BOARD

All the authority, powers, duties, functions and responsibilities of the Michigan Information Network Advisory Board are hereby transferred from the Department of Management and Budget to the Department of Information Technology by a Type III transfer, as defined in Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws. The Michigan Information Network Advisory Board is hereby abolished.

VI. MISCELLANEOUS

A. The individual designated by the Governor as the Information Technology Transition Director shall provide executive direction and supervision for the implementation of all transfers of authority to the Department of Information Technology made under this Order.

B. The Information Technology Transition Director, and the Directors of all executive branch departments and agencies shall jointly identify the program positions and administrative function positions that will be transferred to the Department of Information Technology according to the terms of this Order. The Information Technology Transition Director and the Directors of all executive branch departments and agencies shall make every effort to develop agreements specifying these positions by the effective date of this order. In the event of a failure to reach agreement on the positions to be transferred under this order, the Information Technology Transition Director shall develop a written recommendation specifying the positions to be transferred to the

Department of Information Technology under the terms of this order. The Information Technology Transition Director shall submit the recommendation to the Governor no later than January 1, 2002, for his consideration and approval.

C. The Information Technology Transition Director shall immediately initiate coordination with the directors of all state departments affected by this Order to facilitate the transfers and develop memoranda of record identifying any pending settlements, issues of compliance with applicable federal and state laws and regulations, or other obligations to be resolved related to the authority to be transferred.

D. All records, personnel, property, equipment, grants and unexpended balances of appropriations, allocations and other funds used, held, employed, available or to be made available to any entity for the activities, powers, duties, functions and responsibilities transferred to the Department of Information Technology by this Order are hereby transferred to the Department of Information Technology.

E. The Director of the Department of Information Technology shall administer the assigned functions transferred by this Order in such ways as to promote efficient administration and shall make internal organizational changes as may be administratively necessary to complete the realignment of responsibilities prescribed by this Order.

F. The Director of the Department of Information Technology, or other individual designated by the Governor, may establish an administrative unit, including budget, personnel, information systems, internal audit, procurement, legislative and other related administrative functions. The Director of the Department of Information Technology, or other individual designated by the Governor, may also request the assistance of any state department or agency with respect to personnel, budgeting, procurement, information systems and other management-related functions and the state department or agency shall provide such assistance.

G. The Director of the Department of Information Technology, or other individual designated by the Governor, may hire or retain such contractors, sub-contractors, advisors, consultants and agents as the director may deem advisable and necessary, in accordance with the relevant procedures, statutes, rules and regulations of the Civil Service Commission and the Department of Management and Budget, and may make and enter into contracts necessary or incidental to the exercise of the powers and performance of the duties of the department and the director. Under this provision, the Director of the Department of Information Technology, or other individual designated by the Governor, may specifically hire or retain such contractors, sub-contractors, advisors, consultants and agents as the director may deem advisable and necessary to provide legal advice or legal services, to provide for research and development activity, and/or to provide strategic planning services.

H. The Director of the Department of Information Technology, or other individual designated by the Governor, may by written instrument delegate a duty or power conferred by law or this Order, and the department, agency or person to whom such duty or power is delegated may perform the duty or exercise the power at the time and to the extent that the duty or power is delegated by the Director of the Department of Information Technology, or other individual designated by the Governor.

I. After consultation with the Director of the Department of Information Technology, or other individual designated by the Governor, the State Budget Director shall determine and authorize the most efficient manner possible for handling financial transactions and records in the state's financial management system for the remainder of the fiscal year.

J. All rules, orders, contracts, grants and agreements relating to the functions transferred to the Department of Information Technology by this Order lawfully adopted prior to the effective date of this Order by the responsible state agency shall continue to be effective until revised, amended or rescinded.

K. Any suit, action or other proceeding lawfully commenced by, against or before any entity affected by this Order shall not abate by reason of the taking effect of this Order.

L. The invalidity of any portion of this Order shall not affect the validity of the remainder thereof.

In fulfillment of the requirement of Article V, Section 2, of the Constitution of the state of Michigan of 1963, the provisions of this Executive Order shall become effective October 14, 2001.

Compiler's note: Executive Reorganization Order No. 2001-1 was promulgated on August 14, 2001, as Executive Order No. 2001-3, Eff. Oct. 14, 2001.

[No. 2001-2]

28.621 Creation of new Michigan commission on law enforcement standards within department of state police as type I agency; transfer of powers and duties of Michigan justice training commission, Michigan justice training fund, and commission on law enforcement standards and law enforcement officers training fund to the new Michigan commission on law enforcement standards by type III transfer.

WHEREAS, Article V, Section 1, of the Constitution of the state of Michigan of 1963 vests the executive power in the Governor; and

WHEREAS, Article V, Section 2, of the Constitution of the State of Michigan of 1963 empowers the Governor to make changes in the organization of the Executive Branch or in the assignment of functions among its units which he considers necessary for efficient administration; and

WHEREAS, the Michigan Justice Training Commission and the Michigan Justice Training Fund were created within the Department of Management and Budget by Act No. 302 of the Public Acts of 1982, as amended, being Section 18.421 et seq. of the Michigan Compiled Laws; and subsequently transferred to the Department of State Police by Executive Order 1993-11, being Section 18.431 of the Michigan Compiled Laws; and

WHEREAS, the Michigan Law Enforcement Officers Training Council (later renamed the Commission on Law Enforcement Standards by Act No. 237 of the Public Acts of 1998, which amended Section 28.601 et seq. of the Michigan Compiled Laws) and the Law Enforcement Officers Training Fund were created under Act No. 203 of the Public Acts of 1965, as amended, being section 28.601 et seq. of the Michigan Compiled Laws; and subsequently transferred by a Type I transfer to the Department of State Police by Act No. 407 of the Public Acts of 1965, being Section 16.257 of the Michigan Compiled Laws; and

WHEREAS, the powers, functions, duties and responsibilities assigned to the Michigan Justice Training Commission, the Michigan Justice Training Fund, the Commission on Law Enforcement Standards, and the Law Enforcement Officers Training Fund can be more effectively carried out by a new Michigan Commission on Law Enforcement Standards; and

WHEREAS, it is necessary in the interests of efficient administration and effectiveness of government to effect changes in the organization of the Executive Branch of government.

NOW, THEREFORE, I, John Engler, Governor of the State of Michigan, pursuant to the powers vested in me by the Constitution of the State of Michigan of 1963 and the laws of the State of Michigan, do hereby order the following:

I. NEW MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS

A. The new Michigan Commission on Law Enforcement Standards is hereby created as a Type I agency within the Department of State Police.

B. All the statutory authority, powers, duties, functions and responsibilities of the Michigan Justice Training Commission, the Michigan Justice Training Fund, the Commission on Law Enforcement Standards and the Law Enforcement Officers Training Fund including those involving rulemaking, grant awards and annual distributions and including, but not limited to, the statutory authority, powers, duties, functions and responsibilities set forth in:

1. The Commission on Law Enforcement Standards Act, Act No. 203 of the Public Acts of 1965, as amended, being Section 28.601 et seq. of the Michigan Compiled Laws;
2. The Michigan Justice Training Commission and Michigan Justice Training Fund Act, Act No. 302 of the Public Acts of 1982, as amended, being Section 18.421 et seq. of the Michigan Compiled Laws;

are hereby transferred to the new Michigan Commission on Law Enforcement Standards by a Type III transfer, as defined by Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws.

C. The new Michigan Commission on Law Enforcement Standards shall consist of fifteen (15) members as follows:

1. The Attorney General, or the designated representative of the Attorney General;
2. The Director of the Department of State Police, or the Director's designated representative who is a Michigan State Police Officer;
3. The Chief of the Police Department located in a city with a population of more than 750,000, or the Chief's designated representative who is a command officer with that department; and
4. Twelve (12) members appointed by the governor, with the advice and consent of the Senate, as follows:
 - a. Three (3) active voting members/individuals selected from a list of nine (9) of and submitted by the Michigan Association of Chiefs of Police or its successor organization;
 - b. Three (3) individuals selected from a list of nine (9) elected sheriffs submitted by the Michigan Sheriffs' Association or its successor organization;
 - c. One (1) individual selected from a list of three (3) individuals submitted by the Prosecuting Attorneys' Association of Michigan or its successor organization;
 - d. One (1) individual selected from a list of three (3) individuals submitted by the Criminal Defense Attorneys of Michigan or its successor organization;
 - e. One (1) individual selected from a list of three (3) individuals submitted by the Michigan State Police Troopers Association or its successor organization;
 - f. One (1) individual selected from a list of three (3) individuals submitted by the Michigan Chapter of the Fraternal Order of Police or its successor organization;

- g. One (1) individual selected from a list of three (3) individuals submitted by the Police Officers Association of Michigan or its successor organization;
 - h. One (1) individual selected from a list of three (3) individuals submitted by a police association representing officers employed by one police agency employing more than 15 percent of the police officers in this state or their successor organizations; and
 - i. The Governor may appoint any individual meeting the membership requirements of the organizations listed in 4.a. through 4.h. in the event that an organization required to submit a list of potential candidates fails to submit a list:
 - (1) at least 30 days prior to a vacancy created by the expiration of a term; or
 - (2) within 30 days of the effective date of any other vacancy.
5. An individual selected under subdivision 4 shall serve as a commission member only while serving as a member of the respective organizations in subparagraphs 4.a. through 4.h.
6. Except as otherwise provided in this subdivision, members of the Commission appointed under subdivision 4 shall hold office for a term of three (3) years. However:
- a. Of the members initially appointed from the list of nominees submitted by the Michigan Association of Chiefs of Police, one (1) member shall be appointed for a term of three (3) years, one (1) member shall be appointed for a term of two (2) years, and one (1) member shall be appointed for a term of one (1) year.
 - b. Of the members initially appointed from the list submitted by the Michigan Sheriffs' Association, one (1) member shall be appointed for a term of three (3) years, one (1) member shall be appointed for a term of two (2) years, and one (1) member shall be appointed for a term of one (1) year.
 - c. The members initially appointed from the list of nominees submitted by the Michigan State Police Troopers Association and the Michigan Chapter of the Fraternal Order of Police shall be appointed for a term of two (2) years.
 - d. The members initially appointed from the list of nominees submitted by the Police Officers Association of Michigan and the police association representing officers employed by one police agency employing more than 15 percent of the police officers in this state shall be appointed for a term of one (1) year.
7. A vacancy on the commission caused by the expiration of a term or termination of the member's official position in law enforcement shall be filled in the same manner as the original appointment.
8. A member appointed to fill a vacancy created other than by expiration of a term shall be appointed for the unexpired term of the member who he or she is to succeed in the same manner as the original appointment. A member may be reappointed for additional terms.
- D. The new Michigan Commission on Law Enforcement Standards, in addition to exercising the statutory authority, powers, duties, functions and responsibilities transferred to it by this order, shall focus its activities in order to accomplish the following objectives involving law enforcement organizations and officers:
- 1. Increase professionalism;
 - 2. Increase the number of law enforcement organizations that offer formal in-service training and increase the number of law enforcement officers who receive formal in-service training;

3. Institute law enforcement in-service training standards applicable to all law enforcement in-service training in Michigan;
4. Implement a web-based information system that will allow the Commission to accomplish its goals and communicate with Michigan law enforcement organizations in a more efficient manner, and;
5. Ensure that grants awarded by the Commission to Michigan law enforcement organizations advance the objectives listed in subparagraphs D.1. through D.3.

II. MISCELLANEOUS

A. The Director of the Department of State Police shall provide executive direction and supervision for the implementation of all transfers of authority made under this Order.

B. The Executive Director of the new Michigan Commission on Law Enforcement Standards shall administer the assigned functions transferred by this Order in such ways as to promote efficient administration and shall make internal organizational changes as may be administratively necessary to complete the realignment of responsibilities prescribed by this Order.

C. The Director of the Department of State Police and the Executive Director of the new Michigan Commission on Law Enforcement Standards shall immediately initiate coordination to facilitate the transfer and shall develop a memorandum of record identifying any pending settlements, issues of compliance with applicable federal and State laws and regulations, or obligations to be resolved by the Michigan Justice Training Commission, the Michigan Justice Training Fund, the Commission on Law Enforcement Standards and the Law Enforcement Officers Training Fund.

D. All records, personnel, property and unexpended balances of appropriations, allocations and other funds used, held, employed, available or to be made available to the Michigan Justice Training Commission, the Michigan Justice Training Fund, the Commission on Law Enforcement Standards and the Law Enforcement Officers Training Fund for the activities, powers, duties, functions and responsibilities transferred by this Order are hereby transferred to the new Michigan Commission on Law Enforcement Standards.

E. The State Budget Director shall determine and authorize the most efficient manner possible for handling financial transactions and records in the state's financial management system for the remainder of the fiscal year.

F. All rules, orders, contracts and agreements relating to the assigned functions lawfully adopted prior to the effective date of this Order shall continue to be effective until revised, amended or repealed.

G. Any suit, action or other proceeding lawfully commenced by, against or before any entity affected by this Order shall not abate by reason of the taking effect of this Order. Any suit, action or other proceeding may be maintained by, against or before the appropriate successor of any entity affected by this Order.

H. The invalidity of any portion of this Order shall not affect the validity of the remainder thereof.

In fulfillment of the requirement of Article V, Section 2, of the Constitution of the state of Michigan of 1963, the provisions of this Executive Order shall become effective November 1, 2001.

[No. 2001-3]**800.351 Transfer of powers and duties of Michigan state industries advisory board to director of Michigan department of corrections by Type III transfer.**

WHEREAS, Article V, Section 1, of the Constitution of the state of Michigan of 1963 vests the executive power in the Governor; and

WHEREAS, Article V, Section 2, of the Constitution of the state of Michigan of 1963 empowers the Governor to make changes in the organization of the Executive Branch or in the assignment of functions among its units which he considers necessary for efficient administration; and

WHEREAS, the Michigan State Industries Advisory Board ("Board") was created within the Michigan Department of Corrections pursuant to Executive Order 1993-15, being Section 800.341 of the Michigan Compiled Laws; and

WHEREAS, the functions, duties and responsibilities assigned to the Board can more effectively be carried out by the Director of the Michigan Department of Corrections in consultation with the businesses and workers of the state; and

WHEREAS, it is necessary in the interests of efficient administration and effectiveness of government to effect changes in the organization of the Executive Branch of government.

NOW, THEREFORE, I, John Engler, Governor of the state of Michigan, pursuant to the powers vested in me by the Constitution of the state of Michigan of 1963 and the laws of the state of Michigan, do hereby order the following:

1. All the statutory authority, powers, duties, functions and responsibilities of the Michigan State Industries Advisory Board are hereby transferred to the Director of the Michigan Department of Corrections by a Type III transfer, as defined in Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws.

2. The Director of the Michigan Department of Corrections shall provide executive direction and supervision for the implementation of the transfer made under this Order. The assigned functions shall be administered under the direction and supervision of the Director of the Michigan Department of Corrections.

3. The Director of the Michigan Department of Corrections shall administer the assigned functions transferred by this Order in such ways as to promote efficient administration and shall make internal organizational changes as may be administratively necessary to complete the realignment of responsibilities prescribed by this Order.

4. All records of the Michigan State Industries Advisory Board are hereby transferred to the Michigan Department of Corrections.

5. The Michigan State Industries Advisory Board is hereby abolished.

In fulfillment of the requirement of Article V, Section 2, of the Constitution of the state of Michigan of 1963, the provisions of this Executive Order shall become effective sixty (60) days from the filing of this Order.

[No. 2001-4]**35.1082 Creation of new Michigan veterans' memorial park commission as type II entity; transfer of powers and duties of existing Michigan veterans' memorial park commission located within department of military and veterans affairs to new Michigan veterans' memorial park commission located within department of management and budget by type III transfer.**

WHEREAS, Article V, Section 1, of the Constitution of the state of Michigan of 1963 vests the executive power in the Governor; and

WHEREAS, Article V, Section 2, of the Constitution of the State of Michigan of 1963 empowers the Governor to make changes in the organization of the Executive Branch or in the assignment of functions among its units which he considers necessary for efficient administration; and

WHEREAS, the citizens of this state are forever indebted to those men and women who have loyally served in our nation's armed forces; and

WHEREAS, the Michigan Veterans' Memorial Park Commission was established by Executive Order 1992-11 within the Department of Military and Veterans Affairs; and

WHEREAS, the veterans memorial park was established within the City of Lansing by Section 5a of Act No. 234 of 1988, as amended, being Section 35.1055a of the Michigan Compiled Laws; and

WHEREAS, it is necessary to create a new Michigan Veterans' Memorial Park Commission to oversee the completed Michigan Vietnam Memorial Monument and the veterans memorial park; and

WHEREAS, the purposes and functions of the current Veterans' Memorial Park Commission have evolved since the Commission's creation in 1992; and

WHEREAS, the powers, functions, duties and responsibilities assigned to the current Michigan Veterans' Memorial Park Commission can be more effectively carried out by a new Michigan Veterans' Memorial Park Commission; and

WHEREAS, it is necessary in the interests of efficient administration and effectiveness of government to effect changes in the organization of the Executive Branch of government.

NOW, THEREFORE, I, John Engler, Governor of the state of Michigan, pursuant to the powers vested in me by the Constitution of the state of Michigan of 1963 and the laws of the state of Michigan, do hereby order the following:

I. DEFINITIONS

A. "Commission" means the Michigan Veterans' Memorial Park Commission established by this Executive Order.

B. "Department of Management and Budget" means the principal department of state government created by Section 121 of Act No. 431 of the Public Acts of 1984, being Section 18.1121 of the Michigan Compiled Laws.

C. "Department of Military and Veterans Affairs" means the principal department of state government created as the Department of Military Affairs by Section 125 of Act No. 380 of the Public Acts of 1965, being Section 16.225 of the Michigan Compiled Laws and renamed the Department of Military and Veterans Affairs by Executive Order 1997-7, being Section 32.91 of the Michigan Compiled Laws.

D. "Veterans memorial park" means the 2.5-acre parcel of land established and legally described by Section 5a of Act No. 234 of the Public Acts of 1988, as amended, being Section 35.1055a of the Michigan Compiled Laws.

II. ESTABLISHMENT OF THE MICHIGAN VETERANS' MEMORIAL PARK COMMISSION

A. A new Michigan Veterans' Memorial Park Commission is hereby created as a Type II entity within the Department of Management and Budget.

B. All the statutory authority, powers, duties, functions and responsibilities of the current Michigan Veterans' Memorial Park Commission, including, but not limited to, the statutory authority, powers, duties, functions and responsibilities set forth in:

1. Executive Order 1992-11 (creating the Michigan Veterans' Memorial Park Commission; and,)
2. Executive Order 1992-12, being Section 35.1081 of the Michigan Compiled Laws (transferring authority over the Michigan Veterans' Memorial Park and the duties of the Michigan Capitol Park Commission related to the Michigan Veterans' Memorial Park from the Michigan Capitol Park Commission to the Michigan Veterans' Memorial Park Commission;)

are hereby transferred from the existing Michigan Veterans' Memorial Park Commission located within the Department of Military and Veterans Affairs to the new Michigan Veterans' Memorial Park Commission located within the Department of Management and Budget by a Type III transfer, as defined by Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws.

C. The Commission shall consist of seven (7) members:

Five members of the general public appointed by the Governor;

The Director of the Department of Military and Veterans Affairs who is the Adjutant General of state of Michigan, or the designee of the Director/Adjutant General; and

The Director of the Department of Management and Budget, or the designee of the Director of the Department of Management and Budget.

D. The members of the Commission appointed by the Governor shall serve a term of three (3) years, except that, of the members first appointed, two (2) members shall be appointed for a term of three (3) years, two (2) members shall be appointed for a term of two (2) years, and one (1) member shall be appointed for a term of one (1) year.

E. Any vacancy on the commission shall be filled in the same manner as the original appointment.

F. A person appointed to fill a vacancy created other than by expiration of a term shall be appointed for the unexpired term of the member who he or she is to succeed in the same manner as the original appointment. A member may be reappointed for additional terms.

III. CHARGE TO THE COMMISSION

The Commission shall assist the Department of Management and Budget with the following functions pursuant to the applicable law:

A. The Commission shall advise the Department of Management and Budget on the development, management and maintenance of the Michigan Veterans' Memorial Park.

B. The Commission shall advise the Department and work with organizations on the operation of programs, exclusive to the Michigan Veterans' Memorial Park.

C. The Commission shall advise the state police regarding the provisions of police and security services for the Michigan Veterans' Memorial Park and the enforcement of rules for the care and preservation of the park.

D. The Commission shall coordinate with the City of Lansing regarding state activities or development of the Michigan Veterans' Memorial Park affecting city operations.

E. The Commission shall annually report to the Governor and the Legislature on the activities of the Commission.

IV. OPERATIONS OF THE COMMISSION

A. The Governor shall designate one (1) member of the Commission to serve as chairperson. This member shall serve as Chair at the pleasure of the Governor.

B. The Commission may promulgate bylaws, not inconsistent with law and with this Order, governing its organization, operation and procedure.

C. A majority of the serving members constitutes a quorum for the transaction of business at a meeting. The Commission shall act by a majority vote of its serving members.

D. The Commission shall meet at the call of the chairperson and as may be provided in the bylaws of the Commission. Meetings of the Commission may be held at any location within the state of Michigan. The Commission shall meet at least semi-annually.

E. The Commission may, as appropriate, make inquiries, studies, investigations, hold hearings, and receive comments from the public. The Commission may consult with outside experts in order to perform its duties.

F. The Commission may establish one or more subcommittees consisting of Commission members to investigate and analyze specific issues, consistent with the charge to the Commission contained in Section III of this order. The chair of the Commission, or a member of the Commission designated by the chair, shall chair each subcommittee established by the Commission. Subcommittees shall recommend proposed actions, plans, comments, formulas, measures, reports or policies to the Commission, consistent with the Commission's charge. The Commission may adopt, reject or modify recommendations proposed by subcommittees.

G. Members of the Commission shall serve without compensation. Members of the Commission may receive reimbursement for necessary travel and expenses according to relevant statutes, rules and procedures of the Department of Management and Budget and the Civil Service Commission.

H. The Department of Management and Budget may hire or retain such contractors, sub-contractors, advisors, consultants and agents, and may make and enter into contracts necessary or incidental to the exercise of the performance of the Commission's duties, as the Department Director deems appropriate. Such procurements shall be in accordance with the relevant statutes, rules and procedures of the Department of Management and Budget and the Civil Service Commission.

I. The Commission may apply for, receive and expend monies from any source, public or private, including but not limited to, gifts, grants, donations of monies and government appropriations. The Commission may also accept donations of labor, services, or other things of value from any public or private agency or person. Individual members of the Commission shall fully comply with the provisions of Act No. 196 of the Public Acts of 1973, as amended, being Section 15.341 et seq. of the Michigan Compiled Laws, governing the standards of conduct for public officers and employees of the state of Michigan.

J. Members of the Commission shall refer all legal, legislative and media issues to the Department of Management and Budget.

K. The Commission shall be staffed by personnel within the Department of Management and Budget as designated by the Director.

V. MISCELLANEOUS

A. All departments, committees, commissioners or officers of the state or of any political subdivision thereof shall give to the Commission, or to any member or representative thereof, any necessary assistance required by the Commission, or any member or representative thereof, in the performance of the duties of the Commission so far as is compatible with its, his or her duties; free access shall also be given to any books, records or documents in its, his or her custody, relating to matters within the scope of inquiry, study or investigation of the Commission.

B. The invalidity of any portion of this Order shall not affect the validity of the remainder thereof.

C. The Michigan Veterans' Park Commission, established with the Department of Military and Veterans Affairs by Executive Order 1992-11, is hereby abolished.

In fulfillment of the requirement of Article V, Section 2, of the Constitution of the state of Michigan of 1963, the provisions of this Executive Order shall become effective 60 days after the filing of this order.

Compiler's note: Executive Reorganization Order No. 2001-4 was promulgated on November 21, 2001, as Executive Order No. 2001-10, Eff. Jan. 21, 2002.

[No. 2001-5]

12.191 Creation of Michigan public educational facilities authority as type I agency within department of treasury; transfer of powers and duties involving construction or equipping public school facilities from Michigan strategic fund and board of directors to Michigan public education facilities authority and board of trustees by type II transfer; transfer of certain powers and duties relating to volume limitations for exempt facility bonds from state treasurer to Michigan public educational facilities authority by type II transfer; transfer of certain powers and duties relating to public school academies from Michigan municipal bond authority and board of trustees to Michigan public educational facilities authority and board of trustees by type II transfer.

WHEREAS, Article V, Section 1, of the Constitution of the state of Michigan of 1963 vests the executive power in the Governor; and

WHEREAS, Article V, Section 2, of the Constitution of the state of Michigan of 1963 empowers the Governor to make changes in the organization of the Executive Branch or in the assignment of functions among its units, which he considers necessary for efficient administration; and

WHEREAS, the state of Michigan has public schools that are in need of new public educational facilities or whose existing public educational facilities are in need of renovation and remodeling; and

WHEREAS, the United States Congress recently passed, and President George W. Bush signed, The Economic Growth and Tax Relief Reconciliation Act of 2001, which includes a provision authorizing the issuance of “qualified public educational facility bonds” as exempt facility bonds under the federal tax laws; and

WHEREAS, the availability of exempt facility bonds for qualified public educational facilities will provide public schools across the country with a means for addressing the difficulties encountered in financing the construction, renovation and remodeling of public educational facilities; and

WHEREAS, the state can effectively and efficiently provide for a qualified public education facility bond program by establishing a new authority, the Michigan Public Educational Facilities Authority, within the Department of Treasury; and

WHEREAS, the creation of a Michigan Public Educational Facilities Authority may also create an opportunity for the state of Michigan to partner with other states to facilitate the acquisition of capital for the construction, renovation and remodeling of qualified public educational facilities; and

WHEREAS, it is necessary in the interests of efficient administration and good government to effect changes in the organization of the Executive Branch of government.

NOW, THEREFORE, I, John Engler, Governor of the state of Michigan, pursuant to the powers vested in me by the Constitution of the state of Michigan of 1963 and the laws of the state of Michigan, do hereby order the following:

I. DEFINITIONS

As used herein:

A. “Authority” means the Michigan Public Educational Facilities Authority created by this Order.

B. “Board” means Michigan Public Educational Facilities Authority Board of Trustees created by this Order.

C. The “Center for Educational Performance and Information” means the temporary state agency created by Executive Order 2000-9, being Section 388.996 et seq. of the Michigan Compiled Laws.

D. The “Department of Treasury” means the principal department created by Section 54 of Act No. 380 of the Public Acts of 1965, being Section 16.175 of the Michigan Compiled Laws.

E. The “Michigan Municipal Bond Authority” means the body corporate created under the Shared Credit Rating Act, Act No. 227 of the Public Acts of 1985, as amended, being Section 141.1051 et seq. of the Michigan Compiled Laws, and includes the Michigan Municipal Bond Authority Board of Trustees.

F. The “Michigan Strategic Fund” means the entity created under Act No. 270 of the Public Acts of 1984, as amended, being Section 125.2001 et seq. of the Michigan Compiled Laws, and includes the Michigan Strategic Fund Board of Directors.

G. “Public School” means a public elementary or secondary educational entity or agency that is established under the Revised School Code, Act No. 451 of the Public Acts of 1976, as amended, being Section 380.1 et seq. of the Michigan Compiled Laws, and has as its primary mission the teaching and learning of academic and vocational-technical skills and knowledge, and is operated by a school district, local act school district, special act school district, intermediate school district, public school academy corporation, strict discipline academy corporation, or by the Department of Education or the State Board of Education. Public school also includes a laboratory school or other elementary or

secondary school that is controlled and operated by a state public university described in Article VIII, Section 4, 5 or 6, of the Constitution of the state of Michigan of 1963.

H. "Qualified Public Education Facility" shall have the same meaning as defined in Section 422 of The Economic Growth and Tax Reconciliation Act of 2001, codified in Section 142 of the Internal Revenue Code of 1986, 26 USC 142, as amended.

II. CREATION OF THE MICHIGAN PUBLIC EDUCATIONAL FACILITIES AUTHORITY

A. The Michigan Public Educational Facilities Authority is hereby created as a Type I agency, as defined in Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws, located within the Department of Treasury.

B. The Authority shall be governed by a board of trustees consisting of:

1. The state treasurer;

2. Four (4) trustees appointed by the governor, with the advice and consent of the Senate. Not more than two (2) of the trustees appointed under this subsection shall be members of the same political party.

C. Except as otherwise provided in this subsection, appointed trustees shall hold office for a term of four (4) years. However, of the trustees initially appointed, the Governor shall designate two (2) to serve a term of four (4) years, one (1) to serve a term of three (3) years, and one (1) to serve a term of two (2) years.

D. A vacancy on the board caused by the expiration of a term or other cause of termination of membership on the board shall be filled in the same manner as the original appointment.

E. A trustee appointed to fill a vacancy created other than by expiration of a term shall be appointed for the unexpired term of the trustee who he or she is to succeed in the same manner as the original appointment. A trustee may be reappointed for additional terms.

III. OPERATIONS OF THE MICHIGAN PUBLIC EDUCATIONAL FACILITIES AUTHORITY BOARD OF TRUSTEES

A. The Governor shall designate one trustee to serve as chairperson of the board. The chairperson shall serve as chairperson at the pleasure of the Governor.

B. The board may adopt bylaws, not inconsistent with law and with this Order, governing its organization, operation and procedure.

C. A majority of the serving trustees constitutes a quorum for the transaction of business at a meeting. Trustees participating in a meeting by the use of telephonic or video equipment shall be deemed present at the meeting. The board shall act by a majority vote of the trustees voting on any particular action. Voting shall be conducted in person or by use of telephonic or video equipment.

D. The board shall meet at the call of the chairperson and as may be provided in the bylaws of the board. Meetings of the board may be held at any location within the state of Michigan.

E. The board may, as appropriate, make inquiries, studies, and investigations, hold hearings, and receive comments from the public.

F. Trustees shall serve without compensation. Trustees may receive reimbursement for necessary travel and expenses according to the relevant procedures of the Civil Service Commission and the Department of Management and Budget.

G. The board may hire or retain such contractors, sub-contractors, advisors, consultants and agents, and may make and enter into contracts necessary or incidental to the exercise of the powers of the board and the performance of its duties as the board may deem advisable and necessary, in accordance with the relevant statutes, rules and procedures of the Civil Service Commission and the Department of Management and Budget.

H. The board may apply for, receive and expend monies from any source, public or private, including but not limited to, gifts, grants, donations of monies and government appropriations. The board may also accept donations of labor, services or other things of value from any public or private agency or person.

I. The board shall be staffed by personnel within the Department of Treasury, as designated by the State Treasurer.

J. The board shall conduct all business at public meetings held in compliance with the Open Meetings Act, Act No. 267 of the Public Acts of 1976, as amended, being Sections 15.261 et seq. of the Michigan Compiled Laws.

IV. MICHIGAN STRATEGIC FUND

All the statutory authority, powers, duties, functions and responsibilities with respect to a commercial enterprise involving the construction, rehabilitation, refurbishing or equipping of school facilities that are occupied or to be occupied by a public school, provided under the Michigan Strategic Fund Act, Act No. 270 of the Public Acts of 1984, as amended, being Section 125.2001 et seq. of the Michigan Compiled Laws, are hereby transferred from the Michigan Strategic Fund and the Michigan Strategic Fund Board of Directors to the Michigan Public Education Facilities Authority and the Michigan Public Education Facilities Authority Board of Trustees by a Type II transfer, as defined in Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws.

V. DEPARTMENT OF TREASURY

All the statutory authority, power, duties, functions and responsibilities of the State Treasurer only with respect to the allocation of volume limitations designated for exempt facility bonds relating to Qualified Public Educational Facilities, provided under the Unified Volume Limitation Allocation Act, Act No. 496 of the Public Acts of 1988, as amended, being Section 12.111 et seq. of the Michigan Compiled Laws, are hereby transferred from the State Treasurer to the Michigan Public Educational Facilities Authority by a Type II transfer, as defined in Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws.

VI. MICHIGAN MUNICIPAL BOND AUTHORITY

A. Except as provided in Paragraph B, the statutory authority, powers, duties, functions and responsibilities of the Michigan Municipal Bond Authority and the Michigan Municipal Bond Authority Board of Trustees, as such authority, powers, duties, functions and responsibilities relate to governmental units which are a public school academy or a laboratory school or other elementary or secondary school that is controlled and operated by a state public university described in Article VIII, Section 4, 5 or 6, of the constitution of the state of Michigan of 1963, including but not limited to the statutory authority, powers, duties, functions and responsibilities set forth in the Shared Credit Rating Act, Act No. 227 of the Public Acts of 1985, as amended, being Section 141.1051 et seq. of the Michigan Compiled Laws, Section 1225 of the Revised School Code, Section 1225 of Act No. 451 of the Public Acts of 1976, as amended, being Section 380.1225 of the Michigan Compiled Laws, and the State School Aid Act of 1979, Act No. 94 of the Public Acts of

1979, as amended, being Section 388.1601 of the Michigan Compiled Laws, are hereby transferred from the Michigan Municipal Bond Authority and the Michigan Municipal Bond Authority Board of Trustees to the Michigan Public Educational Facilities Authority and the Michigan Public Education Facilities Authority Board of Trustees by a Type II transfer, as defined in Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws.

B. The transfer provided for in Subsection A. does not transfer the authorities, powers, duties, functions, responsibilities, rights and obligations of the Michigan Municipal Bond Authority and the Michigan Municipal Bond Authority Board of Trustees related to any outstanding public school academy bonds or notes or any reserve or trust funds relating to such bonds or notes.

VII. MISCELLANEOUS

A. The State Treasurer shall provide executive direction and supervision for the implementation of all transfers of authority to the Michigan Public Educational Facilities Authority made under this Order.

B. The State Treasurer shall administer the assigned functions transferred by this Order in such ways as to promote efficient administration and shall make internal organizational changes as may be administratively necessary to complete the realignment of responsibilities prescribed by this Order.

C. The State Treasurer shall identify the program positions and administrative function positions that will be transferred to the Michigan Public Educational Facilities Authority according to the terms of this Order. The State Treasurer shall develop an agreement specifying these positions no later than the effective date of this Order.

D. The State Treasurer shall immediately initiate coordination with the directors of all other state departments and agencies having authority transferred to the Michigan Public Educational Facilities Authority under this Order to facilitate the transfer and to develop memoranda of record identifying any pending settlements, issues of compliance with applicable federal and state laws and regulations, or other obligations to be resolved related to the authority to be transferred.

E. All records, personnel, property, grants and unexpended balances of appropriations, allocations and other funds used, held, employed, available or to be made available to any entity for the activities, powers, duties, functions and responsibilities transferred from the Michigan Municipal Bond Authority and the Michigan Strategic Fund by this Order are hereby transferred to the Michigan Public Educational Facilities Authority.

F. The State Treasurer may request the assistance of other state agencies with respect to personnel, budgeting, procurement, information systems and other management-related functions and such agencies shall provide such assistance.

G. The Michigan Public Educational Facilities Authority will prepare and submit an annual report to the Center for Educational Performance and Information which will include the total number of bond issues, dollar amount of the bond issues, number of public schools assisted, the geographic distribution of the bond financing and the types of facilities financed.

H. The State Treasurer may by written instrument delegate a duty or power conferred by law or this Order and the person to whom such duty or power is so delegated may perform such duty or exercise such power at the time and to the extent that such duty or power is delegated by the State Treasurer.

I. All rules, orders, contracts, grants and agreements relating to the functions transferred to the Michigan Public Educational Facilities Authority by this Order lawfully adopted prior to the effective date of this Order by the responsible state agency shall continue to be effective until revised, amended or rescinded.

J. The State Budget Director shall determine and authorize the most efficient manner possible for handling financial transactions and records affected by this Order in the state's financial management system for the remainder of this fiscal year.

K. The Michigan Public Educational Facilities Authority is a separate and distinct authority from the School Bond Loan Fund established by 1955 P.A. 74, as amended, being Section 388.921 et seq. of the Michigan Compiled Laws, and shall have no impact on the amount of loans available to school districts through the School Bond Loan Fund.

L. The invalidity of any portion of this Order shall not affect the validity of the remainder thereof.

In fulfillment of the requirement of Article V, Section 2, of the Constitution of the state of Michigan of 1963, the provisions of this Executive Order shall become effective March 18, 2002.

Compiler's note: Executive Reorganization Order No. 2001-5 was promulgated on December 21, 2001, as Executive Order No. 2001-11, Eff. Mar. 18, 2002.

