

EXECUTIVE ORDER (EO) 2005-7 SUMMARY

	<u>Page</u>	<u>Amount</u>
<u>General Fund Reductions and Related Actions</u>		
Agriculture	4	\$1,663,500
Attorney General	4	451,000
Civil Rights	5	191,500
Civil Service	5	229,300
Community Colleges	5	4,919,600
Community Health	6	63,592,800
Corrections	6	19,003,800
Education	7	333,000
Environmental Quality	8	2,539,900
Higher Education	8	35,233,300
History, Arts, and Libraries	9	626,800
Human Services	9	33,276,200
Information Technology	10	2,060,000
Labor and Economic Growth	10	1,051,700
Management and Budget	11	9,617,300
Military and Veterans Affairs	11	714,100
Natural Resources	11	383,300
School Aid	12	99,500,000
State	12	10,609,400
State Police	12	3,455,000
Treasury	13	<u>5,604,200</u>
TOTAL General Fund Reductions and Related Actions		\$295,055,700
 <u>Special Purpose Revenue Reductions and Related Actions</u>		
Human Services	9	7,300,000
Labor and Economic Growth	10	<u>932,300</u>
TOTAL Special Purpose Revenue Reductions and Related Actions		\$8,232,300
 TOTAL EXECUTIVE ORDER		 \$303,288,000

Agriculture

	<u>FY 2004-05 YTD at 2/09/05</u>	<u>EO 2005-7 Amount</u>
IDG/IDT	\$10,831,700	
Federal	33,476,200	
Local	0	
Private	138,700	
Restricted	51,593,300	
GF/GP	30,091,400	(\$1,663,500)
Gross	\$126,131,300	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:

		<u>EO 2005-7 Amount</u>
1. Animal Health and Welfare		GF/GP (\$70,000)
Reductions in CSS&M and travel.		
2. Management Services (Executive)		GF/GP (\$47,400)
Reductions in CSS&M and travel.		
3. Pesticide and Plant Pest Management		GF/GP (\$340,000)
Reflects GF/GP salary and wage savings and reductions in CSS&M and travel for feed/drug inspection program. Proposed supplemental recommends that \$150,000 of GF/GP be offset with licensing and inspection fee revenue; net reduction would be \$190,000.		
4. Executive Direction		GF/GP (\$88,400)
Salary and wage savings in food safety - public information and outreach program.		
5. Statistical Reporting Services (Executive)		GF/GP (\$6,600)
Reductions in CSS&M and travel.		
6. Emergency Management (Executive)		GF/GP (\$146,500)
Reductions in CSS&M and travel.		
7. Grants to Local Conservation Districts		GF/GP (\$63,200)
The EO reduces grants to each eligible district from \$20,000 to \$19,200.		
8. Laboratory Services		GF/GP (\$135,000)
Substitutes GF/GP with gasoline inspection and testing fund revenue; fund shift recommendation appears in the proposed supplemental.		
9. Information Technology Services and Projects		GF/GP (\$766,400)
Rate reductions for DIT contracts, enterprise administration, telecommunications, and data center operations. Proposed supplemental recommends that \$692,500 be offset with State Services Fee Fund revenue; net reduction would be \$73,900.		

Attorney General

	<u>FY 2004-05 YTD at 2/09/05</u>	<u>EO 2005-7 Amount</u>
IDG/IDT	\$12,545,500	
Federal	8,301,300	
Local	0	
Private	0	
Restricted	10,485,000	
GF/GP	31,503,900	(\$451,000)
Gross	\$62,835,700	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:

		<u>EO 2005-7 Amount</u>
1. Administrative Savings		GF/GP (\$379,500)
Reduces funding for administrative expenses; savings to be generated through administrative efficiencies.		
2. Information Technology		GF/GP (\$71,500)
Rate reductions for contracts, enterprise administration, data center operations, and telecommunications.		

Civil Rights

	<u>FY 2004-05 YTD at 2/09/05</u>	<u>EO 2005-7 Amount</u>
IDG/IDT	\$0	
Federal	934,000	
Local	0	
Private	0	
Restricted	0	
GF/GP	11,759,000	(\$191,500)
Gross	\$12,693,000	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:

		<u>EO 2005-7 Amount</u>
1. Administrative Savings		GF/GP (\$155,800)
Reduces funding for administrative expenses; savings to be generated by not filling vacant positions.		
2. Information Technology		GF/GP (\$35,700)
Rate reductions for contracts, enterprise administration, data center operations, and telecommunications.		

Civil Service

	<u>FY 2004-05 YTD at 2/09/05</u>	<u>EO 2005-7 Amount</u>
IDG/IDT	\$5,370,900	
Federal	4,779,100	
Local	1,700,000	
Private	150,000	
Restricted	15,474,600	
GF/GP	7,672,100	(\$229,300)
Gross	\$35,146,700	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:

		<u>EO 2005-7 Amount</u>
1. Administrative Savings		GF/GP (\$204,100)
Reduces funding for administrative expenses; savings to be through not filling vacant positions and reducing CSS&M costs.		
2. Information Technology		GF/GP (\$25,200)
Rate reductions for contracts, enterprise administration, data center operations, and telecommunications.		

Community Colleges

	<u>*FY 2004-05 YTD at 2/09/05</u>	<u>EO 2005-7 Amount</u>
IDG/IDT	\$0	
Federal	0	
Local	0	
Private	0	
Restricted	0	
GF/GP	285,747,000	(\$4,919,600)
Gross	\$285,747,000	

**Excludes 3.0% tuition restraint funds originally appropriated in FY 2003-04 but actually paid in FY 2004-05*

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:

		<u>EO 2005-7 Amount</u>
Operations Reductions		GF/GP (\$4,919,600)
Reductions equal to 1.76% of each college's operations funding.		

Community Health

	<u>FY 2004-05 YTD at 3/18/05</u>	<u>EO 2005-7 Amount</u>
IDG/IDT	\$70,037,000	
Federal	5,502,478,700	
Local	523,452,400	
Private	55,476,400	
Restricted	1,463,844,700	
GF/GP	2,557,910,600	(\$63,592,800)
Gross	\$10,173,199,800	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:

		<u>EO 2005-7 Amount</u>
1. Administrative Savings	GF/GP	(\$4,534,500)
Reduces funding for 15 line items. Savings achieved from contract reductions and eliminations, CSS&M reductions, not filling current vacant positions, reducing overtime costs, terminating-limited term employees in state hospitals centers, and fund shifts that reduce GF/GP to two line items anticipating that available restricted revenue in a supplemental appropriation will offset the reduction.		
2. Local Public Health Operations Grants	GF/GP	(\$677,000)
Reduces state grants to local public health departments by 4% from May 1 through September 30, 2005. Funds support providing nine statutorily-required local public health services.		
3. Information Technology (IT) Services and Projects	GF/GP	(\$730,000)
Decreases funds for IT services/projects due to rate reductions for contracts, enterprise administration, telecommunications, and data center operations. Reduction is 7.3% of GF/GP appropriated for this line.		
4. Medicaid Mental Health and Substance Abuse Services	GF/GP	(\$6,000,000)
Reduces GF/GP for Medicaid Mental Health and Substance Abuse Services by \$6.0 million anticipating revenue from a 6% provider tax on specialty prepaid health plans (effective August 1, 2005) that would offset the reduction.		
5. 4% Provider Rate Reductions & Graduate Medical Education Payments Reduction	GF/GP	(18,440,800)
Reduces Medicaid provider rates by 4% effective May 1, 2005. Included a 4% reduction in graduate medical education (GME) payments to hospitals.		
6. General Funds Offset by Additional State Restricted and Local Revenue	GF/GP	(\$33,015,000)
Generates \$33.0 million gross GF/GP savings from anticipated supplemental local and state restricted authorizations for the following: \$25.9 million withdrawal from Medicaid Benefits Trust Fund to offset same amount of GF/GP; \$450,000 of restricted revenue to offset GF/GP from increasing the monthly payment agreement amount for families with incomes over 250% of the federal poverty level receiving services within the Children's Special Health Care Services program; \$3,665,000 local revenue to offset GF/GP from revenues identified to fund school and community-based adolescent health clinics (teen health centers); and \$3.0 million restricted revenue to offset same amount of GF/GP from an antitrust case settlement with the Bristol-Myers Squibb Company (Buspar settlement).		
7. Elimination of Pharmacy Benefits Manager Incentive Payment	GF/GP	(\$195,500)
Reflects savings from renegotiating the pharmacy benefits manager contract which eliminated incentive payments for special projects.		

Corrections

	<u>FY 2004-05 YTD at 2/09/05</u>	<u>EO 2005-7 Amount</u>
IDG/IDT	\$3,364,200	
Federal	8,188,100	
Local	393,600	
Private	0	
Restricted	66,075,600	
GF/GP	1,708,161,100	(\$19,003,800)
Gross	\$1,786,182,600	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:

		<u>EO 2005-7 Amount</u>
1. Adjust Security Levels at Five Facilities	GF/GP	(\$2,871,900)
Savings to be generated by reducing security levels and decreasing staffing at five facilities: Bellamy Creek in Ionia, Boyer Road in Carson City, Ojibway in Marenisco, and Mound and Ryan, both in Detroit.		

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:

	EO 2005-7 Amount
2. Facility Closures	GF/GP (\$3,141,800)
Savings through closing several low-security units: Mangum Farm Barracks (administratively attached to Marquette Branch Prison), Camp Tuscola in Caro (funded under Thumb Correctional Facility), and Camp Sauble in Freesoil (under Oaks Correctional Facility).	
3. Close DeMarse Academy	GF/GP (\$300,000)
Partial-year savings through closing DeMarse training academy for new corrections officers, located on the grounds of the former Michigan School for the Blind in Lansing. Corrections and state police to share existing state police training facility.	
4. Close Corrections Center in Saginaw	GF/GP (\$318,100)
Assumes partial-year savings through closing corrections center in Saginaw as of June 1, 2005. Corrections centers historically have housed low-level prisoners in the community prior to release on parole. Prisoner population eligible for community placement is declining.	
5. Reduce Funding for Conditional Reintegration Program (CRP II)	GF/GP (\$3,655,700)
Reduces Field Operations and Electronic Monitoring Center line items by \$1.9 million and \$1.7 million, respectively, eliminating remaining funding for the conditional reintegration program, under which selected prisoners were to be placed in the community immediately prior to parole. Difficulties identifying a sufficient number of eligible prisoners suitable for tether prompted an earlier reduction in the program.	
6. Worker's Compensation Savings	GF/GP (\$1,600,000)
Savings to be realized through reduced worker's compensation costs.	
7. Managed Care Contract Savings	GF/GP (\$1,698,200)
Savings through various efficiencies in hospital and specialty care, which is provided under a managed care contract with Correctional Medical Services, Inc.	
8. Central Office Staffing	GF/GP (\$1,118,700)
Savings gained through vacancies in central office positions in director's office, administrative services, human resources, field operations, health care administration, and correctional facilities administration.	
9. Miscellaneous Administrative Reductions	GF/GP (\$2,731,500)
Reduces appropriation for new officer training by \$368,100; takes partial-year savings of \$720,900 for eliminating Jackson complex's food production kitchen; taps unobligated community corrections grant and education funding totaling \$111,000; saves \$250,000 by eliminating coffee in prisoner food services; saves \$239,500 through centralizing field operations business office functions and \$445,600 through consolidating business and personnel offices at facilities in Muskegon, St. Louis, Detroit, and Kincheloe; assumes savings of \$400,000 on computers for academic/vocational programs; and eliminates funding for high-security pay at Ionia's Riverside Correctional Facility.	
10. Increase Collections of Parole and Probation Oversight Fees	GF/GP (\$1,000,000)
Reduces GF/GP funding of field operations in anticipation of increased collections of parole and probation oversight fees. Authority to spend the additional fee revenue would be provided under proposed supplemental appropriations bill.	
11. Other Statewide Information Technology Reductions	GF/GP (\$567,900)
Assumes savings through various efforts such as contract rate reductions, enterprise administration, telecommunications, and data center operations.	

Education

	FY 2004-05 YTD at 2/09/05	EO 2005-7 Amount
IDG/IDT	\$1,072,100	
Federal	60,796,800	
Local	5,208,800	
Private	606,600	
Restricted	19,470,000	
GF/GP	26,394,700	(\$333,000)
Gross	\$113,549,000	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:

	EO 2005-7 Amount
1. Administrative Economies and Efficiencies	GF/GP (\$301,000)
Reduces expenditures on CSSM in Central Support (\$50,000) and State Board Operations (\$15,000). Reduces Early Childhood Education Operations (\$215,000) by reducing CSSM and replacing GF with Certification fees per the Supplemental. Reduces GF (\$21,000) for the School Finance office (to be replaced with federal funds per the Supplemental).	
2. Information Technology Reductions	GF/GP (\$32,000)
Rate reductions for contracts, enterprise administration, data center operations and telecommunications.	

Environmental Quality

	<u>FY 2004-05 YTD at 2/09/05</u>	<u>EO 2005-7 Amount</u>
IDG/IDT	\$14,263,000	
Federal	133,766,800	
Local	0	
Private	445,900	
Restricted	163,451,800	
GF/GP	28,671,800	(\$2,539,900)
Gross	\$340,599,300	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:**1. Administrative Efficiencies**

Reduces program spending in nearly all bureaus funded that receive General Fund support; programs include Environmental Investigations, Pollution Prevention, Air Quality, Information Services, Finance and Administrative Services, Water Management, and Radiological Protection. Reduces spending in salary and fringe benefits, supplies and travel. The Dam Safety field inspection and certification program in the Water Management Bureau would be eliminated.

GF/GP (\$773,000)

2. Radon Grants

Reduces General Fund match for grants to local public health departments. Grantees would be required to provide matching funds.

GF/GP (\$44,300)

3. Laboratory Services – Funded Through Intradepartmental Transfers

Programs using in-house laboratory services would be assessed for the cost of sample collection and testing. Requires passage of a supplemental appropriation establishing this source of funding for the environmental laboratory.

GF/GP (\$684,000)

4. Funding Shifts to Restricted Funds

A number of programs would shift support from General Fund to restricted funding sources. Reduced programs include office space leases, Field Permitting and Project Assistance, Environmental Investigations, Air Quality, and Hazardous Waste Management. Requires passage of a supplemental appropriation increasing restricted fund support for programs affected by these reductions.

GF/GP (\$1,038,600)

Higher Education

	<u>*FY 2004-05 YTD at 2/09/05</u>	<u>EO 2005-7 Amount</u>
IDG/IDT	\$0	
Federal	4,500,000	
Local	0	
Private	0	
Restricted	85,150,000	
GF/GP	1,600,500,500	(\$35,233,300)
Gross	\$1,690,150,500	

*Excludes 3.0% tuition restraint funds originally appropriated in FY 2003-04 but actually paid in FY 2004-05

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:**1. Operations Reductions**

Reductions equal to 1.76% of each university's operations funding.

GF/GP (\$25,080,400)

2. Wayne State Earmark

Removes funding earmarked from Wayne State's operations appropriation for Joseph F. Young, Sr. Psychiatric Research and Training Program; positive supplemental in same amount for same purpose recommended from federal revenue in Community Health budget.

GF/GP (\$5,605,900)

3. Dental Clinics Grant

Removes grant funding to University of Detroit Mercy for providing dental clinic services to low-income residents in southeast Michigan; positive supplemental in same amount for same purpose recommended from federal revenue in Community Health budget.

GF/GP (\$4,547,000)

History, Arts, and Libraries

	<u>FY 2004-05 YTD at 2/09/05</u>	<u>EO 2005-7 Amount</u>
IDG/IDT	\$139,000	
Federal	8,151,300	
Local	0	
Private	577,400	
Restricted	2,412,400	
GF/GP	45,803,500	(\$626,800)
Gross	\$57,083,600	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:

		<u>EO 2005-7 Amount</u>
1. Administrative Efficiencies	GF/GP	(\$463,000)
Reduces program spending reduced in nearly all bureaus that receive General Fund support. Programs include Management Services, Library of Michigan, Michigan Council for Arts and Cultural Affairs, Film Office, and Historical Programs. Funding shifts are recommended in the State Library Data Base program (federal), and support from subscription revenue from the Michigan History Magazine. Restricted fund increase to implement this recommendation is not included in the draft appropriations supplemental.		
2. Program Elimination: Michigan Lighthouse Assistance Program Grants	GF/GP	(\$91,500)
Eliminates General Fund support for Lighthouse Preservation Grant program. Only those grants supported solely from Specialty License Plate revenue ("Save our Lights" license plate) would be funded.		
3. DIT Services and Projects	GF/GP	(\$72,300)
Rate reductions for contracts, enterprise administration, telecommunications, and data center operations.		

Human Services

	<u>FY 2004-05 YTD at 2/09/05</u>	<u>EO 2005-7 Amount</u>
IDG/IDT	\$1,084,400	
Federal	3,033,969,000	
Local	73,326,100	
Private	9,757,600	
Restricted	70,321,400	
GF/GP	1,109,682,800	(\$33,276,200)
Gross	\$4,298,141,300	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:

		<u>EO 2005-7 Amount</u>
1. Day Care Services	GF/GP	(\$10,000,000)
Reflects \$10.0 million in savings through a proposed 30-day waiting period for coverage under the program for all new cases eligible on the basis of income. Recommends \$3.3 million reduction to recognize anticipated lapse of federal Temporary Assistance for Needy Families (TANF) for Before and After School Programs; Legislature had appropriated, through boilerplate, "up to \$5.0 million" for these programs. Day Care Services program provides day care subsidies to eligible family groups. Proposed reduction would decrease gross appropriations by 2.7%.		
2. Legal Support Contracts	GF/GP	(\$1,300,000)
Reduces this appropriation by 2.4%. The line funds contracts with county Friend of the Courts to support child support enforcement activities.		
3. Food Stamp Reinvestment	GF/GP	(\$6,500,000)
Reflects a 38.1% reduction in funding used to finance efforts required in an agreement with the federal government to reduce the state's Food Stamp payment error rate. State Budget Office indicates the reduction reflects an anticipated lapse in the line item due to updated federal plan in this area.		
4. Michigan Housing and Community Development Fund	GF/GP	\$0
Eliminates appropriation for this line item (first included in FY 2004-05). This TANF appropriation would support grants and loans to low-income households to purchase or rehabilitate housing.		
5. Adoption Support Services	GF/GP	(\$91,700)
Eliminates Post-Adoption Subsidy Support Program beginning April 1, 2005. The program supports contracts with local child welfare organizations to provide support services to adoptive families such as counseling, information and referral services, and recreation and training programs.		
6. Indigent Burial	GF/GP	(102,600)
Reduces appropriations for Indigent Burials by 1.7%. Savings to be achieved by reducing the maximum allowable charge for indigent burials (set in boilerplate) from \$947 (current) to \$909. Allocations of this amount to funeral directors, cemeteries/crematoriums and vault providers would be reduced by 4%.		

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:		EO 2005-7 Amount
7. Administrative Savings		GF/GP (2,899,200)
Includes reductions in the following line items: Worker's Compensation (\$495,200 reflecting the latest risk management cost projection); AFC, Children's Welfare and Day Care Licensure (\$2.0 million estimated GF/GP lapse); Juvenile Justice Field Staff, Administration, Maintenance (\$304,000 gross through unfilled vacancies); Child Care Fund Administration (\$100,000 estimated GF/GP lapse).		
8. Information Technology		GF/GP (3,382,700)
Reflects reductions to line items through reduced personal services contracts, IT overhead, and contract savings: Information Technology Services and Projects (\$436,600); Client Services System (\$186,200); Data System Enhancement (\$783,000); Child Support Automation (\$726,800); Child Support Distribution Computer System (\$1,250,100 million).		
9. Fund Shifts – Replace GF/GP with TANF		GF/GP (9,000,000)
Proposes GF/GP reductions tied to an increase in appropriated federal funds in the recommended supplemental appropriation: Child Support Automation (\$2.0 million); Homeless Shelter Contracts (\$1.7 million); Child Care Fund (\$5.3 million).		

Information Technology

	FY 2004-05 YTD at 2/09/05	EO 2005-7 Amount
IDG/IDT	\$360,738,600	
Federal	0	
Local	0	
Private	0	
Restricted	0	
		(\$2,060,000)
GF/GP	0	<i>General Fund reduction reflected in IDG funding to Department of Information Technology.</i>
Gross	\$360,738,600	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:		EO 2005-7 Amount
1. Information Technology		GF/GP \$0
Rate reductions for contracts, enterprise administration, data center operations and telecommunications across state departments/agencies and a reduction in costs for the MAIN accounting system within DMB; reflected in IDG funding (\$8,184,300) to Department of Information Technology.		
2. Contract Reduction		GF/GP \$0
Reduces General Fund for Michigan Master Computing contract due to anticipated reduction in expenditures; reflected in IDG funding (\$2,060,000) to Department of Information Technology.		

Labor and Economic Growth

	FY 2004-05 YTD at 2/09/05	EO 2005-7 Amount
IDG/IDT	\$515,200	
Federal	836,502,100	
Local	15,669,600	
Private	4,140,100	
Restricted	290,500,600	
GF/GP	94,538,000	(\$1,051,700)
Gross	\$1,241,865,600	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:		EO 2005-7 Amount
1. Administrative Spending Cuts and Efficiencies		GF/GP (\$649,700)
Spending is reduced through not filling administrative vacancies and other administrative efficiencies.		
2. Fund Shift- Tax Tribunal		GF/GP (\$306,900)
General Fund/General Purpose funding is replaced with Corporation Fees Restricted Fund dollars.		
3. Fund Shift- Code Enforcement and Fire Safety		GF/GP (\$95,100)
General Fund/General Purpose funding is replaced with Construction Code Fund Restricted Fund dollars.		
4. Liquor Licensing and Enforcement- Reduce Liquor Purchase Fund		GF/GP \$0
Reduces Liquor Control Commission spending from Liquor Purchase Revolving Fund through a combination of not filling vacancies and less travel.		

Management and Budget

	<u>FY 2004-05 YTD at 2/09/05</u>	<u>EO 2005-7 Amount</u>
IDG/IDT	\$143,075,200	
Federal	444,600	
Local	0	
Private	0	
Restricted	33,206,100	
GF/GP	36,684,200	(\$9,617,300)
Gross	\$213,410,100	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:

		<u>EO 2005-7 Amount</u>
1. Administrative Savings		GF/GP (\$605,700)
Reduces funding for administrative expenses; savings to be from reducing support costs and staff reorganization.		
2. Information Technology		GF/GP (\$1,072,900)
Rate reductions for contracts, enterprise administration, data center operations, and telecommunications and a reduction in costs for the MAIN accounting system.		
3. Statewide GF/GP Reductions		GF/GP (\$7,938,700)
Represents statewide GF/GP lapses from various department budgets: reduces statewide contract costs (\$5,000,000 savings); Child Care Information and Referral Services lapse (\$1,254,400); UAW Severance Pay Fund lapse (\$1,102,800); Procurement Card program revenue lapse (\$370,000) from constraints on contract and operating purchases; Building Occupancy lapse (\$360,000) from deferring maintenance costs and reducing contract costs		

Military and Veterans Affairs

	<u>FY 2004-05 YTD at 2/09/05</u>	<u>EO 2005-7 Amount</u>
IDG/IDT	\$1,042,500	
Federal	45,418,100	
Local	0	
Private	1,282,300	
Restricted	25,599,800	
GF/GP	37,370,700	(\$714,100)
Gross	\$110,713,400	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:

		<u>EO 2005-7 Amount</u>
1. Administrative Economies and Efficiencies		GF/GP (\$501,500)
Reduces administrative related expenditures for Headquarters and Armories (\$185,000) and salary and wage related expenditures for Military Training Sites and Support Facilities (\$316,500).		
2. Information Technology – Administrative Economies and Efficiencies		GF/GP (\$12,600)
Rate reductions for contracts, enterprise administration, telecommunications, and data center operations.		
3. Grant Reductions		GF/GP (\$200,000)
Reflects reduction in National Guard Education Tuition Assistance Program due to a federal match change.		

Natural Resources

	<u>FY 2004-05 YTD at 2/09/05</u>	<u>EO 2005-7 Amount</u>
IDG/IDT	\$3,528,700	
Federal	37,195,200	
Local	0	
Private	2,024,300	
Restricted	192,702,200	
GF/GP	28,885,000	(383,300)
Gross	\$264,335,400	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:

		<u>EO 2005-7 Amount</u>
1. Conservation Officer Positions		GF/GP (\$308,100)
Savings in salaries and support costs related to Conservation Officer position vacancies.		
2. DIT Services and Projects		GF/GP (\$46,100)
Rate reductions for contracts, enterprise administration, telecommunications, and data center operations.		

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:		EO 2005-7 Amount
3. Commercial Forest Reserve Payments to Counties		GF/GP (\$29,100)
Reduces appropriation for payments in lieu of taxes to counties for properties enrolled in the Commercial Forest Reserve program. Payment obligations are less than the amount appropriated.		

School Aid

	<u>FY 2004-05 YTD at 2/09/05</u>	<u>EO 2005-7 Amount</u>
IDG/IDT	\$0	
Federal	1,353,540,100	
Local	0	
Private	0	
Restricted	10,909,200,000	
GF/GP	264,700,000	(99,500,000)
Gross	\$12,527,440,100	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:		EO 2005-7 Amount
General Fund reduction to the School Aid Fund		GF/GP (\$99,500,000)
Reduces the general fund contribution to the school aid fund by \$99.5 million. The revised total general fund contribution to the school aid fund would be \$165.2 million.		

State

	<u>FY 2004-05 YTD at 2/09/05</u>	<u>EO 2005-7 Amount</u>
IDG/IDT	\$20,000,000	
Federal	1,391,000	
Local	0	
Private	100	
Restricted	141,878,500	
GF/GP	23,909,900	(\$10,609,400)
Gross	\$187,179,500	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:		EO 2005-7 Amount
1. Administrative Savings		GF/GP (\$540,000)
Reduces funding for administrative expenses; savings to be from administrative efficiencies.		
2. Fund Source Shift - Branch Operations		GF/GP (10,000,000)
Reduces GF/GP for branch operations to be replaced by state restricted Transportation Administration Collection Fund (TACF) revenue. Legislation is necessary to redirect collection of fee revenue from the Michigan Transportation Fund to the TACF.		
3. Information Technology		GF/GP (\$69,400)
Rate reductions for contracts, enterprise administration, data center operations, and telecommunications.		

State Police

	<u>FY 2004-05 YTD at 2/09/05</u>	<u>EO 2005-7 Amount</u>
IDG/IDT	\$19,916,800	
Federal	106,255,100	
Local	4,681,100	
Private	10,700	
Restricted	100,602,000	
GF/GP	244,380,200	(\$3,455,000)
Gross	\$475,845,900	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:		EO 2005-7 Amount
1. Administrative Economies and Efficiencies		GF/GP (\$2,301,800)
Includes reductions for salary- and wage-related expenditures for Criminal Investigations (\$1,493,000), the Criminal Justice Information Center Division (\$63,200), Fire Investigation (\$125,800), Human Resources (\$64,800), and Uniform Services (\$555,000).		

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:		EO 2005-7 Amount
2. Information Technology – Administrative Economies and Efficiencies		GF/GP (\$541,200)
Rate reductions for contracts, enterprise administration, telecommunications, and data center operations.		
3. Other Reductions		GF/GP (\$612,000)
General fund savings for DNA Analysis Program (\$225,000) through fund shift to the Forensic Science Reimbursement Fee line and for At-Post Troopers (\$387,000) through fund shift to available Highway Safety Fund resources.		

Treasury

	FY 2004-05 YTD at 2/09/05	EO 2005-7 Amount
IDG/IDT	\$0	
Federal	34,681,800	
Local	18,832,800	
Private	0	
Restricted	1,431,295,600	
GF/GP	96,153,400	(\$5,604,200)
Gross	\$1,594,136,400	

EO 2005-7 Changes from FY 2004-05 YTD Appropriations:		EO 2005-7 Amount
1. Administrative Economies and Efficiencies		GF/GP (\$554,400)
Reduces funding for worker's compensation insurance premiums (\$166,900) and student financial assistance programs (\$200,000); decreases General Fund support for local finance program (\$143,200) to be replaced by restricted funds per the Supplemental; shifts funding of human resources optimization (\$44,300) from General Fund to restricted funds per the Supplemental.		
2. Personal Property Tax Auditors		GF/GP (\$3,500,000)
Eliminates funding for personal property tax auditors program.		
3. Information Technology Services and Projects		GF/GP (\$549,800)
Reduces funding for IT services due to rate reductions for contracts, enterprise administration, telecommunications, and data center operations.		
4. Reduced Contract Collection Costs		GF/GP (\$1,000,000)
Savings to be realized through reducing contract collection costs via contractor rebates.		