Report of the Director of the Office of Policy and Management

Findings and Recommendations under Part F of the Biennial Budget

September 30, 2013

Office of Policy and Management
State House Station #181
Augusta, Maine 04333
Phone: 207-480-3090
Email: OPM@maine.gov

Table of Contents

I.	**Executive Summary**	**2**
II.	**Introduction**	**3**
III.	**Fiscal Year 2014 Savings**	**11**
IV.	**Fiscal Year 2015 Savings**	**53**
V.	**Review of Positions**	**112**
VI.	**Conclusions**	**114**

Appendices:

A. Part F Language

B. List of Vacant Positions as of September 23, 2013

C. Part F Savings Targets

D. Exclusions from General Fund Target Baseline

E. Sample Savings Target Letters

F. Savings – Executive Offices of the Governor

G. Spreadsheet of Part F Savings

H. Implementing Legislation for Savings

I. Executive Summary

On Wednesday, June 26th, 2013, the Maine Legislature passed the state's biennial budget for Fiscal Years (FY) 2014 and 2015. The budget law contained a provision, Part F, which eliminated **$33,750,000** from the budget and tasked the Governor's Office of Policy and Management (OPM) to analyze the structures and functions of government to identify potential savings to equal or exceed the **$33,750,000** eliminated from the budget. This **$33,750,000** was to be comprised of **$11,250,000** in FY14 in General Fund savings through administrative savings and by financial order, and **$22,500,000** in savings in FY15 achievable either by administrative means or legislative action. OPM was also tasked to review vacant and filled positions within the Executive Branch and identify up to one hundred positions for possible elimination. OPM was asked to report on its work by September 30, 2013. This is that report.

In view of the short amount of time allotted for this task, OPM has attacked the task on several fronts. We have interacted extensively with people, both inside and outside of government, in order to develop ideas for potential savings and position eliminations. We have researched the feasibility of these ideas, as well as our own, and have received an immense amount of assistance in developing and evaluating these ideas from the Department of Administrative and Financial Services (DAFS) and the Bureau of the Budget. OPM also developed and issued savings targets for all of the Executive Branch departments and agencies, as well as for the Legislature, Judiciary and the Constitutional and Statutory Officers in order to draw on their expertise and prompt discussions with them about ways to achieve savings. We had a remarkably good response to the savings targets, with almost all of the Executive departments and agencies, the Judiciary, and all but one of the Constitutional and Statutory

Officers offering savings. We thank all who participated for their contributions to the achievement of our overall goal.

In fulfillment of its tasking, OPM has identified **$11,255,673** in potential administrative savings for FY14 and **$24,276,592** in potential savings for FY15, achievable administratively and through legislative action. OPM has also identified 95 governmental positions for possible elimination. This report includes details about the potential savings and possible position eliminations, as well as a list of vacant positions as of September 23, 2013.

II. Introduction

a. The Office of Policy and Management (OPM)

The Office of Policy and Management (OPM) was established by the Maine Legislature in 2012 to help improve the efficiency and effectiveness of Maine's government. The full text of the enacting legislation can be found in 5 M.R.S.A. § 3101 (2012).

The Director of OPM, former State Senator Richard Rosen, is a member of the Governor's Cabinet. Director Rosen is the former chairman of the Appropriations Committee in the 125th Legislature. He served as a state senator for 4 terms and as a member of the Maine House of Representatives for 3 terms.

The Deputy Director of OPM is the Honorable William J. Schneider. Deputy Director Schneider served as Maine's Attorney General and previously has served as Assistant Leader in the Maine House of Representatives.

The long-term economic goals and objectives that are assigned to OPM are supported by the State Economist, Amanda Rector. The State Economist is responsible for conducting ongoing analysis of Maine's economy to help inform policy decisions made throughout the state. She assists the Governor, Legislature, and other state agencies in monitoring the Maine

economy, formulating and evaluating economic initiatives, analyzing policy alternatives, and pursuing sustainable economic growth. Ms. Rector serves on the Maine Revenue Forecasting Committee and is also responsible for staffing the Consensus Economic Forecasting Commission, serves as the State's official liaison to the Census Bureau, and operates the State Data Center, which provides access to data produced by the U.S. Census Bureau.

b. Part F

The Legislature has tasked the Office of Policy and Management with analyzing the structures and functions of government to identify potential General Fund savings in the Fiscal Year 2014-15 biennial budget.

The savings in FY14 must provide a minimum of **$11,250,000** in General Fund savings that do not require legislative approval but can be achieved administratively and by financial order.

The office must also make recommendations to the Legislature for an additional **$22,500,000** in General Fund savings to be achieved through either administrative or legislative action. These recommendations are subject to the approval of the Legislature.

The Legislature also tasked the Office of Policy and Management, the Department of Administrative and Financial Services, and the Bureau of the Budget to undertake a review of vacant and filled positions within executive branch departments and agencies regardless of the funding source of those positions. The review must identify up to 100 positions for possible elimination.

All of these recommendations, findings, and initiatives, were directed by the Legislature to be delivered in a report to the Joint Standing Committee on Appropriations and Financial Affairs by September 30, 2013. As part of these findings, the Office of Policy and Management

is to provide a comprehensive list of all vacant positions and the number of days each position has been vacant as of a date selected by OPM.

If the Legislature fails to enact legislation in the Second Regular Session of the 126th Legislature that achieves at least **$22,500,000** in savings, the Governor will be authorized to achieve the balance of those savings by issuing a curtailment order.

c. "The Process"

The process OPM designed to achieve the savings required by the Legislature in Part F of the biennial budget was determined primarily by the limited timetable prescribed in Part F and the scale of the cost savings required by the Legislature, **$33,750,000**. OPM staff collected and evaluated information from existing sources, such as agency Zero Based Budgeting (ZBB) documents, past budget initiatives, legislation, Office of Program Evaluation and Government Accountability (OPEGA) reports, and other sources. In addition, the staff conducted interviews of agency personnel and reviewed operational data and materials provided by departments and agencies.

At the request of several commissioners, OPM sent letters to departments and agencies with prorated targets to help encourage discussion on the programmatic and non-programmatic changes that will be necessary to meet the savings requirements. The staff subsequently reviewed each proposal provided, worked with the agencies to evaluate the feasibility of their ideas and made recommendations.

The findings and conclusions contained in this report are based on the information collected through this process.

1. OPM Analysis of Structures and Functions

As outlined in the section on OPM, the office was established to improve the efficiency and effectiveness of state government while also facilitating the achievement of long-term state economic goals and objectives. It is with this mission in mind that OPM approached the task of finding the **$33,750,000** in General Fund savings required by Part F in the Legislature's biennial budget.

When looking at efficiency and effectiveness, OPM wanted to know four things. For efficiency, did the savings initiative help to optimize innovation and collaboration and did it appropriately prioritize services and improve equity across state government? For effectiveness, did the savings initiative strengthen financial and fiscal management to better fund vital services, and also did it improve accountability, transparency, and accessibility?

As the section outlining Part F makes clear, savings goals for FY 14 required OPM to find **$11,250,000** of General Fund savings through administrative means. These are savings achieved without the need for legislation. The use of administrative tools is limited in its scope. It can neither eliminate programs nor eliminate legislative head count. This required OPM to focus on finding efficiencies such as consolidations and re-organizations within departments. Despite the limits placed on the available means to achieve FY14 General Fund savings, OPM wanted to continue to work towards its core function of improving both the efficiency and effectiveness of Maine's government in its approach to administrative savings. This meant that for each administrative savings initiative identified, OPM asked whether these savings improve the functionality of state government and applied the criteria listed above. If the answer was "yes," the initiative would move forward. If the answer was "no," OPM engaged with the department or agency to try to find savings that did improve functionality.

While this approach served OPM and state agencies well, given the scope of the FY 14 portion of Part F, **$11,250,000** in General Fund savings, and the limitations of administrative action, recommendations to simply cut spending to meet the legislative requirements in some instances were unavoidable.

In FY15 Part F gives OPM more leeway to make decisions. In addition to administrative action, OPM can recommend program changes to achieve the Legislature's FY15 required savings of **$22,500,000**. OPM approached the second year savings much in the same way it approached the first, focusing on the core mission of the office. We looked again to efficiency and effectiveness, but also took the opportunity to recommend long term changes to programs. This meant evaluating the fundamental objectives of programs and advancing ideas for good government.

With efficiency, effectiveness, and good government principals as guideposts, OPM solicited departments and agencies for their ideas. Those ideas where then evaluated on their merits and compared to OPM's core mission. Working with departments and agencies, the ideas were changed and honed to meet the legislative saving requirements, the short timeline, and wherever possible, OPM's core mission.

OPM also capitalized on the previous work completed by OPEGA. Their excellent reports on state contracts, MaineCare, and state boards and commissions, to name a few, all helped to inform OPM's work on Part F for both fiscal years.

Another important assessment tool for OPM was the ZBB initiative undertaken by Governor Paul LePage and his administration. This exercise was completed at the end of 2012 and provided OPM with documents from each department outlining areas of strength and

highlighting programs in need of improvement. The interdepartmental review required by the ZBB process proved to be integral in OPM's development of ideas.

Both the work of OPEGA and the ZBB reports provided OPM with important insight into individual departments and agencies. Those efforts helped to inform OPM's analysis and allowed development of savings that aligned with its core mission.

When this process was complete, the initiatives were submitted to the Bureau of the Budget for their review. They evaluated the programs based on feasibility, and determined whether the savings indicated by the department or agency were in fact achievable, and the best method of achieving them, whether administratively or through legislation.

The final task the Legislature assigned to OPM in Part F was to review vacant and filled positions within executive branch departments and agencies, regardless of funding source, and provide recommendations to eliminate one hundred of them. Additionally, OPM is to provide the legislature with a list of vacant positions, including how long they have been vacant. These recommendations can be found in Section V of this report and the complete list of vacancies in Appendix B. The recommendations contained in Section V were determined through the process of identifying savings using the guideposts outlined above, the reports of OPEGA, the ZBB results, and thorough discussions with the executive departments and agencies.

2. Establishment of Targets

Due to the short time period available to identify, analyze and recommend **$33,750,000** in General Fund savings, and at the request of several departments, OPM established proportional monetary targets for each department and agency, as well as for both the Judicial and Legislative branches of government. These targets were created by comparing the minimum savings requirements for each year of the biennium, **$11,250,000** in FY14 and **$22,500,000** in FY15, to

the total General Fund budgets for each department, agency, or branch. OPM did not include health insurance, state retirement, and debt service in determining targets for departments and agencies.

As an example, the Department of Administrative and Financial Services (DAFS) has a General Fund budget of **$102,668,875** in FY14 and **$73,404,435** in FY15. After taking out state health insurance, the state retirement system contributions, and debt service, the budget to be assessed for legislative savings was reduced to **$68,408,099** in FY14 and **$70,274,695** in FY15. Assessing these revised budget numbers against the **$11,250,000** and **$22,500,000** General Fund savings requirements leads to an FY14 target of **$558,641** and to an FY15 target of **$746,928** for DAFS.

In the specific case of the Department of Health and Human Services (DHHS), MaineCare was not deducted from the budget used to determine the savings targets, so that their target amounts for both fiscal years were based on the full cost to government. At the Department of Education (DED), GPA was deducted from the FY14 target assessment because most schools had already completed their own budget-setting processes based upon FY14 GPA, but not from FY15, again to reflect the true cost to government. The specific targets for each year can be found in Appendix C of this report as well as in the sections dealing with FY14 and FY15 savings.

Once the targets were developed, OPM sent letters to the heads of each department, agency and branch notifying them of their savings targets and providing them with a deadline for submitting their initial ideas. A sample copy of this letter can be found in Appendix E. While the Legislature did not yet officially respond, and no response at all was received from Maine Public Broadcasting Network (MPBN) and the Centers for Innovation, the overall response was very

strong. Maine's executive departments and agencies and the Judicial Branch are to be commended for their exemplary cooperation in this difficult task. Each response was the beginning point for the development of savings initiatives using the process outlined in part 1 of this section.

3. Administrative Savings and Financial Orders

As previously noted Part F limits the FY14 General Fund savings minimum of **$11,250,000** to those savings achievable by administrative action. Part F serves as a de-appropriation, allowing OPM to remove funds administratively through financial order.

There is an established timeline to complete financial orders. The Bureau of the Budget publishes their financial order meeting dates on their webpage and on the Budget Financial Management System (BFMS). The financial orders must be received by the Bureau of the Budget at least seven working days prior to the scheduled meeting with the governor. To ensure OPM's compliance with the Bureau of the Budget's timeline and to meet the schedule established for OPM by the Legislature, OPM moved quickly to begin the vetting process for FY14 initiatives. The development of monetary targets was an important component in the development of FY14 savings initiatives supported and encouraged by the departments and agencies. All budget amounts referred to in this report are General Fund monies. Departments were very helpful in meeting the short timeline imposed by the Legislature. For the most part, they were forthcoming and willing partners as OPM developed the initiatives contained in this report. OPM's success in reaching the **$33,750,000** savings was entirely due to the efforts and cooperation of the executive departments and agencies and the work of the Bureau of the Budget. The FY14 administrative savings can be found in Section III. of this report.

III. Fiscal Year 2014 Savings

a. Executive Departments and Agencies

1. Maine Department of Administrative and Financial Services (ADM)

The Department of Administrative and Financial Services (DAFS) has a broad range of responsibilities in serving the Executive, the Maine Legislature, all state agencies, and the public. DAFS serves as the principal fiscal advisor to the Governor; prepares the state budget; coordinates the financial planning and programming activities of state agencies; and advises the Maine Legislature on the financial status of State Government. The Department oversees all aspects of the civil service system and employee training and benefits.

Additionally, the Department conducts negotiations within the collective bargaining process on behalf of all state agencies. DAFS is responsible for maintenance of state-owned buildings and grounds, management of public improvements (new construction, renovations and repairs), and procurement of leased premises. Various internal services for state agencies are also provided by the Department, including: review of accounting transactions and procedures, implementation of account controls, operation of the computer network system, delivery of information technology services, coordination of postal services, administration of risk management/self-insurance, and management of purchases and surplus property. DAFS also administers the state's lottery operations and sale of alcohol and collects state revenues necessary to support state government and agency programs.

In FY14, the Maine Department of Administrative and Financial Services General Fund budget is **$68,408,099**. Based on this budget, OPM provided the Department with a savings target of **$558,641** for FY14.

DAFS will meet their target by managing vacancies for a General Fund savings of **$513,262**. The Department, through consolidation, closed the Maine Revenue Services Office in Houlton. The executive branch has the authority to close, relocate, or consolidate offices, and to relocate or lay off the affected employees as long as it complies with the procedures set forth in the employee contract. The expenses associated with the office included space rental, maintenance, mailing costs, travel time, dedicated secure telephone lines, toll charges, security, and management oversight. Of the **$513,262** in vacancy management savings **$396,119** are the result of the MRS consolidation effort and **$117,143** from the management of other vacant positions within DAFS. The MRS consolidation also achieved a General Fund savings of **$45,379** in FY14 from their All Other account.

These initiatives combine for a total General Fund savings of **$558,641** in meeting the FY14 target. The biennial savings associated with the MRS consolidation is **$1,048,778**.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Department of Administrative and Financial Services	**$68,408,099**	**$558,641**	**$558,641**	**$67,849,458**

2. Maine Dept. of Agriculture, Conservation, and Forestry (AGR)

The newly formed consolidated Maine Department of Agriculture, Conservation, and Forestry was created from the Departments of Agriculture and Conservation and Forestry. The consolidation was finalized in the first session of the most recently completed legislative session. The purpose of the consolidation was to bring together departments within the natural resource community, to streamline efforts, and better deliver services to Mainers.

The effort to consolidate was not focused on reducing staff or creating efficiencies, but to better pool resources. The consolidation effort should eventually lead to streamlining of activities and long term cost savings through improved effectiveness and efficiencies.

In FY14, the Maine Department of Agriculture, Conservation, and Forestry General Fund budget is **$29,270,197**. Based on this budget, OPM produced a General Fund savings target of **$239,029.23** for FY14.

The Department will deliver **$25,000** in General Fund salary savings. This is accomplished through the management of vacancies. In addition, administrative analysis of the two formerly distinct departments revealed a onetime overage in a Department of Conservation OSR account. This account can be used to cover department expenses. The Department of Agriculture, Conservation, and Forestry has agreed to deliver the target General Fund savings of **$239,100** from the Administrative Fund in the Commissioner's Office and use the OSR account to cover the cost.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Department of Agriculture, Conservation, and Forestry	**$29,270,197**	**$239,029.23**	**$264,100**	**$29,006,097**

3. Arts Commission (ARV)

The Maine Arts Commission was created to encourage and stimulate public interest and participation in the cultural heritage and cultural programs of Maine. In addition to General Funds, the Commission receives funds from the National Endowment for the Arts and other federal sources.

In FY14, the Maine Arts Commission's General Fund budget is **$741,154**. Based on this budget, OPM provided the Arts Commission with a General Fund savings target of **$6,052.49** for FY14. The Commission will meet their target through the management of three vacant positions. By leaving these positions unfilled, the Commission will achieve a General Fund savings of **$6,052** in FY14 while covering any additional costs associated with a reduced staff by retaining some of the additional savings created by the vacancies.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Arts Commission	**$741,154**	**$6,052.49**	**$6,052**	**$735,102**

4. Charter School Commission (CHA)

The Maine Charter School Commission is a body independent of the Maine Department of Education. The commission was established in 2011 as part of the new charter school law, Title 20-A Chapter 112: Public Charter Schools. The Maine Charter School Commission can authorize up to ten public charter schools throughout the state over ten years beginning in 2011.

In FY14, the Maine Charter School Commission's General Fund budget is **$150,000**. Based on this budget, OPM provided the Charter School Commission with a savings target of **$1,224.95** for FY14. The Commission proposes to meet the target by controlling usage of copying, printing, advertising, and postage. This will provide General Fund savings of **$1,225** over the course of FY14.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Charter School Commission	**$150,000**	**$1,224.95**	**$1,225**	**$148,775**

5. Maine Department of Corrections (COS)

The Maine Department of Corrections is responsible for the direction and administrative supervision, guidance and planning of both adult and juvenile correctional facilities and programs within Maine. The Department's mission is to reduce the likelihood that juvenile and adult offenders will re-offend by providing practices, programs and services that are evidence-based and that hold the offenders accountable.

Currently there are approximately 2100 prisoners incarcerated in five state facilities: Downeast, Bolduc, Charleston, Maine Correctional, and Maine State Prison, and four county facilities including: the Bridgeton jail, Cumberland County Jail, Kennebec County Jail, and Maine Coast Regional Reentry.

In FY14, the Maine Department of Corrections' General Fund budget is **$150,803,423**. Based on this budget, OPM provided the Department with a General Fund savings target of **$1,231,506.08** for FY14. Given the size of their target the Department of Corrections offered four initiatives to achieve the mandated savings.

First, the Department proposes a department-wide reduction in overtime. By reducing the amount of overtime allowed they will be able to save **$550,000** in FY14.

Second, the prison population is currently within capacity; this permits Corrections to transfer money from their Prisoner Boarding Account to their unappropriated General Fund surplus fund. This Prisoner Boarding Account is used to board prisoners with county jails when and if there is overcrowding. This has not been an issue for several years, and it has caused a balance to accumulate in the account. This transfer will achieve a General Fund savings of **$400,000**.

Third, the Department will manage their juvenile contracts for savings while reviewing and changing existing contracts. This effort will deliver a General Fund savings of **$129,294**.

The fourth and final initiative the Department of Corrections will implement is transferring money form their Impact Reserve Account. This account was established to help fund the anticipated increase in correctional costs associated with imprisoning inmates convicted of illegal use of a synthetic hallucinogenic. While there has been an increase in cost, it has been below projections. The Department has authority to allow funding to be transferred between accounts for the purpose of paying expenses. The transfer from this account will total **$152,212**.

These General Fund administrative savings reach a total savings of **$1,231,506,** meeting the Department of Corrections' FY14 target.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Department of Corrections	**$150,803,423**	**$1,231,506.08**	**$1,231,506**	**$149,571,917**

6. Cultural Affairs Council (CUA)

The Maine State Cultural Affairs Council (CAC) ensures a coordinated, integrated system of cultural resource programs and projects, and works in support of cultural heritage institutions and activities of the State.

CAC membership includes: the Maine Arts Commission, the Maine Historic Preservation Commission, the Maine Library Commission, the Maine State Museum Commission, the Maine Humanities Council, the Maine Historical Society, and the Maine State Archives. The chair of the CAC is appointed by the Governor from among the leadership of the member agencies.

As set in statute, the functions of the CAC are to coordinate budget requests, provide a forum for interagency planning, serve as the principal liaison for distribution of agency-wide notices and instructions from other governmental administrative agencies, prepare a joint annual report and planning documents for the agencies, meet with the Maine State Film Commission and the State Law Library and others as appropriate to exchange information and coordinate statewide cultural planning, and administer the New Century Community Program fund.

In FY14, the General Fund budget for the Maine State Cultural Affairs Council is **$44,864**. Based on this budget OPM did not provide the Cultural Affairs Commission with a savings target for FY14 because the target was less than $1,000 in both FY14 and FY15. The Commission did however provide a proposal for cost savings in FY14, reducing grant support to Maine cultural agencies by $**322.00**.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Cultural Affairs Council	**$39,445.00**	**$0**	$322	**$39,123**

7. Department of Economic and Community Development (ECC)

The Department of Economic and Community Development (DECD) aims to help communities and businesses prosper through a variety of programs, including targeted tax relief, community block grants, and tourism marketing. Through these programs, DECD can assist a business moving to Maine or moving Maine goods to market.

In FY14, the Department of Economic and Community Development's General Fund budget is **$11,672,763**. Based on this budget, OPM provided DECD with a General Fund savings target of **$95,323.29** for FY14.

The Department proposes to the meet the target in two ways. First, DECD will adjust their service center costs. Currently the Department pays 100% of all service center costs from the administration account. By dividing the costs proportionally to General, Federal, and Other Special Revenue Funds, DECD will be able to provide General Fund savings of **$89,380**.

The second initiative achieves **$5,942** in savings by managing business development contracts. While this will reduce the amount of money available for business development contracts within the Department, it should not dramatically affect DECD's ability to do their work.

In addition to these two savings initiatives, OPM has identified **$1,000,000** in additional General Fund savings. DECD has four bureaus including the Maine Technology Institute (MTI). MTI is an industry-led, publicly-funded, nonprofit corporation offering early-stage capital and commercialization assistance in the form of competitive grants, loans, and equity investment for the research, development and application of technologies that create new products, processes and services.

In 2007 voters approved a $50 million bond to be distributed by MTI for research and development through the Maine Technology Asset Fund (MTAF). The bulk of this money was disbursed to the University of Maine System. In 2009 voters approved another bond of $3 million to be distributed by MTI, again as part of MTAF.

Currently MTI has $3.9 million in unspent 2007 MTAF bond money and has yet to use any of the voter-approved 2009 monies, though they are slated to begin receiving a portion of that money starting in January 2014, with the entire amount to be distributed to MTI by July 1, 2014.

The $3.9 million from 2007 is money that was either repaid by the awardees or taken back by MTI due to the awardee's failure to meet its benchmarks.

Voters passed this bond to be invested in research and development. With $3.9 million cash on hand from this bond and an additional $3 million waiting at Treasury, it appears that MTI has not increased their capability to invest these bond monies in a timely way.

The staff of OPM has met with the President of MTI and believes he is a good leader with vision, capable of building MTI into an effective organization that will eventually be self-sufficient; however, he has less than a year on the job and MTI is not there yet. OPM also recognizes the importance of research and development funds, when invested successfully, in helping to grow the Maine economy. That is why it is important to leave the MTAF money in place, and for MTI to commit the resources necessary to ensure that this bonded development money is loaned or granted to developing businesses. This revised focus would allow a reduction of their General Fund appropriation by **$1,000,000**, since MTI's emphasis would more properly be on distributing the proceeds of bonding.

This reduction will help close the **$11,250,000** FY14 General Fund savings target created in Part F and demonstrate that our state government does not want issued bond proceeds to sit accumulating at MTI.

With these initiatives DECD's total contribution toward the Part F General Fund savings target is **$1,095,322**.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Department of Economic and Community Development	**$11,672,763**	**$95,323.29**	**$1,095,323**.	**$10,577,440**

8. Board of Education (EDB)

The Maine State Board of Education is an advisory board to the State Commissioner of Education and makes education policy recommendations to the legislative and executive branches of government. Under state law, the Board's responsibilities include overseeing approval for school construction projects, administering federal funds for career and technical education, establishing standards for teacher certification, approving educator preparation programs, and recommending institutions of higher education for degree granting authority. The Board is an independent body, but it does receive some staff support from the Department of Education.

In FY14, the Maine State Board of Education's General Fund budget is **$159,433**. Based on this budget, OPM provided the Board of Education with a savings target of **$1,301.95** for FY14. The Board proposes to meet the target by reducing funding for per diem and travel expenses provided to board members. This will provide General Fund savings of **$1,302** over the course of FY14.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine State Board of Education	**$159,433**	**$1,301.95**	**$1,302**	**$158,131**

9. Department of Education (EDU)

The Maine Department of Education is responsible for state education policy, implementing their strategic plan, and distributing funds to local communities. From a peak of around 250,000 students in the 1970s, student enrollment in Maine has been in steady decline. Projections suggest that this decline will bottom out in the next several years. In 2012 there were 185,767 students in Maine; the schools they attended employed 15,324 teachers and 1,069 administrators.

Funding for education is a shared state and local responsibility. State funding to local school districts is based primarily on the Essential Programs and Services (EPS) formula. The Department of Education uses the formula to calculate the amount a district should expect to spend to provide an "adequate" education that is aligned with the Maine Learning Results academic standards, and determines the portion the state will pay based on available funds and local factors such as student enrollment and property values. The Department distributed $895.5 million in general purpose aid to Maine public school units in 2012.

In FY14, the Maine Department of Education General Fund budget is **$43,054,742**. As mentioned in the introduction of this report for the purposes of determining the Department's FY14 target, General Purpose Aid funding was deducted from their total General Fund budget along with debt service and teacher retirement. Based on this budget, OPM provided the Department of Education with a General Fund savings target of **$351,597.97** for FY14.

One initiative to achieve administrative savings in FY 2014, included in the report, does have an impact on casino revenues that must be distributed to the General Fund, pursuant to PL 2013, c.368, part C, section 5-A. Under this initiative, the Department of Education will utilize **$351,598** from their Other Special Revenue (OSR) Account funded through the casino

cascade. The actual revenue collected in FY 2013 for this OSR account was higher than expected, creating an available balance. Utilization of this balance will allow the Department of Education to achieve the budgeted distribution of general purpose aid for local schools while recognizing General Fund savings of **$351,598**.

In addition to meeting their target savings the Department reviewed their previous year's balance and contract work. This intensive review found additional administrative savings. From audit adjustments the Department was able to deliver **$656,432**. Debt service recoveries exceeded their budget in FY12/13 achieve a savings of **$198,592**. Finally they were able to get administrative savings from their bus purchase account as fewer new buses were needed for a savings of **$145,000.00**. These additional General Fund savings total **$1,000,024** for a grand total of **$1,351,622** in FY14 General Fund savings.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Department of Education	**$43,054,742**	**$351,597.97**	**$1,351,622**	**$41,703,120**

10. Maine Commission on Governmental Ethics and Election Practices (ETH)

The Maine Commission on Governmental Ethics and Election Practices is an independent state agency that administers Maine's campaign finance laws, the Maine Clean Election Act, and the lobbyist disclosure law. It also issues advisory opinions and conducts investigations of legislative ethics.

The Maine Commission on Governmental Ethics and Election Practices, as an independent State agency, adopts procedures, rules, and regulations to conduct its duties promptly, fairly, and efficiently, and guards against corruption and undue influence on the election process by state, county, and certain municipal elected officials.

In FY14, the Maine Commission on Governmental Ethics and Election Practices General Fund budget is **$133,345**. Based on this budget, OPM provided the Ethics Commission with a savings target of **$1,088.94** for FY14. The Commission proposes to meet the target in two ways. First the Commission will reduce their General Operations budget, and second they will reduce their Office and Other Supplies budget. Together these changes achieve a General Fund savings of **$1,089**.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Commission on Governmental Ethics and Election Practices	**$133,345**	**$1,088.94**	**$1,089**	**$132,247**

11. Maine Department of Environmental Protection (EVP)

The Department of Environmental Protection (DEP) is responsible for protecting and restoring Maine's natural resources and enforcing the state's environmental laws. The Department's current organization consists of the Commissioner's Office and three bureaus, which administer the Department's environmental programs: Air Quality, Land and Water Quality, and Remediation and Waste Management.

The Board of Environmental Protection is a seven member citizen's board, nominated by the Governor and confirmed by the Legislature, which performs major substantive rulemaking, makes decisions on select permit applications and appeals of Commissioner licensing and enforcement actions, and provides a forum for public participation in department decisions.

DEP is directed to prevent, abate and control the pollution of Maine's air, water and land. The charge is to preserve, improve and prevent degradation of the natural environment of the State. The Department is also directed to protect and enhance the public's right to use and enjoy the State's natural resources

In FY14, the Maine Department of Environmental Protection General Fund budget is **$6,475,471**. Based on this budget, OPM provided the DEP with a savings target of **$52,880.64** for FY14. The Department will meet the target by managing vacancies in two bureaus, Land and Water Quality and Air Quality. Both programs contain vacant positions, and this will not affect the work or responsibilities of either program.

The Air Quality vacancy management will deliver **$14,781** in General Fund savings while the Land and Water Quality vacancies will achieve savings of **$38,100**. This will provide a combined General Fund savings of **$52,881** over the course of FY14 to achieve their target.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Department of Environmental Protection	**$6,475,471**	**$52,880.64**	**$52,881**	**$6,422,590**

12. Finance Authority of Maine (FIO)

The Finance Authority of Maine (FAME) provides access to innovative financial solutions to help Maine citizens pursue business and higher educational opportunities. FAME was established as Maine's business finance agency in 1983 and charged with supporting the startup, expansion, and growth plans of Maine's business community. The agency works closely with Maine's lending community to improve access to capital as well as fill gaps that exist in the State's capital delivery system.

FAME offers a wide array of business assistance programs, ranging from traditional loan insurance for both small and large businesses, to tax credits for investments that individuals make in dynamic, growth-oriented manufacturing or export-related firms.

The mission of FAME also includes responsibility for administering the State's higher education finance programs. Through a variety of loan, grant and scholarship programs, FAME helps Maine students and families meet the costs associated with higher education.

In FY14, the Finance Authority of Maine's General Fund budget is **$10,670,394**. Based on this budget, OPM provided FAME with a savings target of **$87,137.64** for FY14. To achieve this target, FAME will defund the Opportunity Maine Marketing Initiative.

The marketing initiative was intended to promote awareness of the educational opportunity tax credit offered by Maine. FAME had planned to hire Opportunity Maine to market the tax credit, however FAME already promotes the credit as part of their role in administering the State's higher education finance program.

This initiative will save **$22,000**. While this is short of the savings target given to FAME, it achieves General Fund savings without impacting their core mission.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Finance Authority of Maine	**$10,670,394**	**$87,137.64**	**$22,000**	**$10,648,394**

13. Historic Preservation Commission (HIV)

The Maine Historic Preservation Commission is an independent agency within the Executive branch that functions as the State Historic Preservation Office. The Commission is responsible for the identification, evaluation, and protection of Maine's significant cultural resources as directed by the National Historic Preservation Act of 1966, and is one of the seven member agencies and organizations of the Maine Cultural Affairs Council (CAC).

In FY14, the Maine Historic Preservation Commission's General Fund budget is **$286,253**. Based on this budget, OPM provided the Historic Preservation Commission with a savings target of **$2,337.63** for FY14. The CAC members receive an annual General Fund allocation from an account held by CAC. The Commission proposes using part of this allocation to meet their target, achieving a General Fund savings of **$2,338**.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Historic Preservation Commission	**$286,253**	**$2,337.63**	**$2,338**	**$283,915**

14. Maine Department of Health and Human Services (HUM)

The Maine Department of Health and Human Services (DHHS) was established to provide integrated health and human services to the people of Maine, assisting Mainers to meet their needs, while also respecting their rights and preferences as individuals. The Department strives to protect and enhance the health and well-being of Maine people, promote independence and self-sufficiency, protect and care for those who are unable to care for themselves, and provide effective stewardship for the resources entrusted to the department.

The Department of Health and Human Services constitutes approximately one third of the biennial budget. It should be noted that in developing General Fund targets for DHHS in both FY14 and FY15 MaineCare was included in their budget. It is important that the underlying budget used for developing targets reflect the actual cost to the General Fund. Unlike GPA, which was not considered in the Department of Education budget target because it had already been earmarked for distribution and incorporated into local school budgets in FY14, MaineCare is an expense that is fairly fluid. As a result, the target given to DHHS represents a majority of the total savings target for FY14. In FY15, where GPA is included in the calculation of the Department of Education's savings contribution, DHHS' responsibility is reduced to thirty percent of the total savings.

In FY14, the Maine Department of Health and Human Services General Fund budget is **$1,085,070,480**. Based on this budget, OPM provided the DHHS with a savings target of **$8,861,011.71** for FY14. To achieve this target administratively, DHHS will manage vacancies within various offices within the Department. This improved management will deliver a General Fund savings of **$2,700,000** in FY14. They also will develop better contract management

practices to achieve savings. These management changes will garner **$3,000,000** in FY14 savings.

The management improvements that DHHS will implement combine to achieve **$5,700,000** in General Fund savings in FY14. While this is a significant amount of money, it is **$3,161,011.71** short of their savings target.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Department of Health and Human Services	**$1,085,070,480**	**$8,861,011.71**	**$5,700,000**	**$1,079,370,480**

15. Maine Department of Inland Fisheries and Wildlife (INL)

The Maine Department of Inland Fisheries and Wildlife (IF&W) is responsible for maintaining and protecting Maine fish and wildlife for their intrinsic and ecological value. The Department has five divisions: Commissioner's Office, Division of Resource Management, Licensing, the Maine Warden Service, and Information and Education. IF&W is also the department responsible for issuing fish and wildlife licenses, permits and registrations, enforcing laws, rules, and regulations governing fish and wildlife utilization and outdoor recreation, and educating people on Maine's fish and wildlife species, outdoor recreational opportunities and safety.

In FY14, the Maine Department of Inland Fisheries and Wildlife General Fund budget is **$24,022,772**. Based on this budget, OPM provided the Department with a savings target of **$196,177.18** for FY14.

The two initiatives IF&W is using to achieve these target savings require moving costs from the General Fund to other account funds. The first will pay for administrative costs within the predator control program out of Other Special Revenue funds (OSR). In this initiative, the Department of Inland Fisheries and Wildlife will use this source to fund a program that ensures that predator populations remain stable. This will deliver a General Fund savings of **$50,000**.

The second initiative moves funding related to fish stocking to the Department's Lifetime License Fund. The Lifetime License Fund was established from the money paid by Mainers and others purchasing a lifetime license. These licenses are offered to Mainers 65 and older and 15 and younger. The fees range from $150 for a child under six seeking a single license to $800 for a child under 15 seeking a combination license. The Lifetime License Fund allows for the money to be spent on programs and initiatives that benefit hunting, fishing, trapping and other

activities associated with the various licenses. By using this fund to support fish stocking, a savings of **$146,177** can be achieved.

Together these initiatives undertaken by the Department of Inland Fisheries and Wildlife reach the target General Fund savings of **$196,177**.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Department of Inland Fisheries and Wildlife	**$24,022,772**	**$196,177.18**	**$196,177**	**$23,826,595**

16. Maine Center for Innovation (INN)

The Maine Center for Innovation (MCI) is an independent, taxpayer-funded, not-for-profit corporation tasked with the promotion and marketing of Maine's aquaculture products and applied aquaculture research. MCI assists in the formulation of policies favorable to industry growth, serves as a clearing house for aquaculture information, and interacts with government organizations, aquafarms and general public.

In FY14, the Maine Center for Innovation (MCI) General Fund budget is **$118,009**. Based on this budget, OPM provided MCI with a savings target of **$963.70**. Unfortunately, MCI did not respond to the OPM communication, and OPM received no initiatives from MCI addressing the FY14 target. OPM recommends that the MCI General Fund appropriation for FY14 is reduced by **$963.70** through financial order.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Center for Innovation	**$118,009**	**$963.70**	**0**	**$118,009**

17. Department of Labor (LAB)

The Maine Department of Labor promotes the safety and economic wellbeing of all individuals and businesses in Maine by promoting independence and lifelong learning, fostering economic stability, and by ensuring the safe and fair treatment of all people on the job.

In FY14, the Maine Department of Labor's General Fund budget is **$9,448,510**. Based on this budget, OPM provided the Department of Labor with a savings target of **$77,159.37** for FY14. To achieve this target The Department proposes four initiatives.

First, the Department of Labor will freeze the Bureau of Labor Standards (BLS) deputy director position. This position is currently vacant and continuing to leave it unfilled will save **$32,958**. The Bureau of Labor Standards helps workers and businesses make their worksites safer; upholds standards for minimum wages, child labor and other practices; and gathers information on the rapidly changing world of work. BLS provides several services including work place safety consultations and training, enforcement of labor laws, and safety research. They are comprised of three agencies, the Workplace Safety and Health Division, the Technical Services Division, and the Wage and Hour Division.

Second, target savings will be achieved by the Department through the reduction of interpreting services for non-vocational rehabilitation services. This change will save **$15,000** in FY14. These funds are not part of any federal match and are unrelated to Title I services.

In the third administrative savings initiative, the Department of Labor will reduce their expenditures on case services. This will result in a General Fund savings of **$14,700** in FY14. Since this expenditure is part of a required federal match it will result in a reduction in federal funds of $55,000. The Department believes it will still be able to continue to provide their case services without major impact, despite the loss of federal funds.

The final savings initiative is from the Division for the Blind and Visually Impaired. The Department will contract out some services and use federal funding to pay for the work of a Blindness Rehabilitation Specialist who is currently out on leave. Keeping this position temporarily vacant and using a contractor will save **$15,000**. The Division for the Blind and Visually Impaired provides many services to persons with severe visual impairments. They provide help to those with vision problems that prevent them from carrying out the activities of daily living, getting an education, or holding a job. They provide services including individual counseling and guidance and vocational assessment, orientation and mobility instruction to develop independent travel skills, and other training, devices, treatment, job placement and follow-up services to enable job success and assistance to students transitioning from high school to work.

These General Fund savings initiatives from the Maine Department of Labor total **$77,658** exceeding their FY14 budget target of **$77,159.37**.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Department of Labor	**$9,448,510**	**$77,159.37**	**$77,658**	**$9,370,852**

18. Maine State Library (LIB)

A member of the Maine Cultural Affairs Council, the Maine State Library facilitates access to and delivery of library services for the state of Maine. The library is governed by the Library Commission, a seventeen-member panel appointed by the Governor that is responsible for establishing the policies and operations of the library.

In FY14, the Maine State Library General Fund budget is **$3,142,132**. Based on this budget, OPM provided the Maine State Library with a savings target of **$25,659.59** for FY14.

The Library proposes to the meet the target in two ways. First, they will contract out the supply of public access computers and related support. Currently, this is done by the State Office of Information Technology (OIT). Unlike computers used by state workers, the public access computers are neither on the State network nor do they access any state network resources. This contractual change achieves a General Fund savings of **$20,000** in FY14.

The second savings initiative is a reduction in the General Fund appropriation to the Library from the New Century Fund, for a savings of **$5,000**. The New Century Program is intended to revitalize downtown areas, support cultural tourism, increase access to digital resources and expand the creative economy of the State. The New Century Fund provides grants and services to a wide spectrum of Maine's cultural community and is administered by the Maine State Cultural Affairs Council. The fund allocates General Funds to members of the Cultural Affairs Council.

These two Maine State Library savings initiatives combine for a total General Fund savings of **$25,000** in FY14, leaving them **$660** short of their target.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine State Library	**$3,142,132**	**$25,659.59**	**$25,000**	**$3,117,132**

19. Department of Marine Resources (MAR)

The Department of Marine Resources' (DMR) principal mission is to protect, conserve, and develop Maine's marine and estuarine resources. To support its mission, DMR conducts and sponsors scientific research, promotes Maine's coastal fishing industry, and works with local, state, and federal officials on activities concerning coastal Maine waters.

In FY14, the General Fund budget for the Maine Department of Marine Resources is **$9,433,221**. Based on this budget, OPM provided the Department of Marine Resources with a savings target of **$77,034.52** for FY14.

The Department offers two proposals to achieve this target. First, they propose to manage vacancies by leaving a vacant Marine Patrol Officer position unfilled until mid-January. This achieves a savings of **$38,571**. The Marine Patrol bureau is divided into two field divisions with a lieutenant manning a regional office in each division. Each division is divided into three sections with a field sergeant in charge of 6 officers in each section. A marine patrol officer is certified by the Maine Criminal Justice Academy.

The second proposal is to eliminate funding for a Scientist I position for a savings of **$44,711**. This position is affiliated with the Marine Biotoxin Monitoring Program administered by the Department's Bureau of Public Health. When a toxin is found at levels near or above those at which human illness may occur, closures to the harvest of shellfish in those areas are implemented. Maine has historically had high levels of Paralytic Shellfish Poison (PSP), or "Red Tide," during the warmer periods of the year. The DMR Bureau of Public Health Biotoxin Program plans to upgrade testing techniques to a high performance liquid chromatography (HPLC) method for most species of bivalve shellfish (clams, mussels, oysters etc). The program is also considering changes to its sampling strategy, including creating regional mussel closures

during the height of the biotoxin season. These changes will allow the biotoxin work to continue uninterrupted.

These two Marine Resource savings initiatives combine for a total General Fund savings of **$83,282** in FY14 achieving their target.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Department of Marine Resources	**$9,433,221**	**$77,034.52**	**$83,282**	**$9,349,939**

20. Maine Potato Board (POB)

The Maine Potato Board provides a competitive environment for Maine potato growers, processors, and dealers to create stability and protect the infrastructure for future growth. They are also responsible for highlighting the economic importance of the potato to the state and promoting the quality of the product.

In FY14, the Maine Potato Board General Fund budget is **$160,902**. Based on this budget, OPM provided the Board with a savings target of **$1,313.97** for FY14. The Potato Board will meet this savings target by reducing the funding for the Seed Potato Board but then applying the reduction across the board's operation to minimize impact. This effort will produce a General Fund savings of **$1,314** in FY14.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Potato Board	**$160,902**	**$1,313.97**	**$1,314**	**$159,588**

21. Maine Public Broadcasting (PUE)

Maine Public Broadcasting (MPBN) provides radio and television programming as an alternative to privately-owned radio and television stations, and provides emergency broadcast services for the state. Public radio and television broadcasting in the United States is organized as a cooperative of community-based stations that pool resources to create shared national programming and individually serve the needs of their communities. The Maine Public Broadcasting Network serves Maine and also reaches most of New Brunswick, Canada, and parts of New Hampshire and Massachusetts.

MPBN is receiving a General Fund appropriation of **$1,690,905** in FY14. Based on this budget, OPM provided MPBN with a savings target of **$13,808.44**. Unfortunately MPBN neither responded to their target letter nor provided OPM with any savings initiatives. OPM recommends that the MPBN General Fund appropriation for FY14 is reduced by **$13,808.44** through financial order.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Public Broadcasting	**$1,690,905**	**$13,808.44**	**$0**	**$1,690,905**

22. Department of Public Safety (PUS)

The Department of Public Safety's mission is to protect the lives, rights, and property of the people of Maine. The Department is composed of the Maine State Police, Office of State Fire Marshal, Maine Criminal Justice Academy, Bureau of Highway Safety, Emergency Medical Services, Maine Drug Enforcement Agency, Capitol Security, Gambling Control Unit, Emergency Communications, and Building Codes and Standards.

In FY14, the Maine Department of Public Safety General Fund budget is **$39,352,655**. Based on this budget, OPM provided the Department of Public with a savings target of **$321,365.61** for FY14. The Department proposes to meet the target through savings in personal services from the management of five vacant positions. By holding vacant four state trooper positions and one public safety inspector positions Public Safety will provide General Fund savings of **$360,064**. These four trooper positions are part of the normal group of annual vacancies caused by rotation of troopers through their training, service and retirement.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Department of Public Safety	**$39,352,655**	**$321,365**	**$360,064**	**$38,992,591**

b. Legislature (LEG)

On July 23, 2013, OPM sent an email to the Chairman of the Legislative Council explaining the task assigned to us by the Legislature in the biennial budget and inviting their voluntary participation in producing savings in solidarity with the other elements of the government. In it, we included a prorated savings target for the Legislature of **$209,204** in FY14, achievable administratively. Having heard nothing from the Legislative Council, OPM sent a hard-copy reminder letter to the Chairman of the Legislative Council on August 23, 2013.

The Legislative Council has approached OPM to discuss the Legislature's contribution to the Part F savings initiative. While the Legislature has not yet volunteered to participate, the Legislative Council will meet on October 30, 2013, and may take up the issue. Participation in this Part F savings initiative by the Legislature and the Governor's Office will be an important demonstration of solidarity with the other agencies of government that have met their savings targets.

c. Judiciary (JUD)

On July 23, 2013, OPM sent an email to the Judicial Branch offering them the opportunity to participate in the government-wide budget savings initiative described in Part F of the Biennial Budget. In that email, we explained that a prorated savings target for the Judicial budget would be **$403,040** in FY14, achievable without new legislation.

On August 5th, the Administrative Office responded promptly on behalf of the Chief Justice. In their reply, they explained that the Judicial Branch is facing significant budgetary shortfalls in FY14, due primarily to the increasing costs of child protective cases, medical malpractice panels and unavoidable facilities costs. They did not believe that the Judiciary could meet the savings targets for FY14, but he did anticipate that some savings were possible in FY15.

d. Constitutional and Statutory Officers

1. Department of Audit (AUD)

The core duty of the Maine Department of Audit is to audit the financial statements of the State of Maine and the expenditures of federal programs. The Department is also the fiscal Administrator of the Unorganized Territory.

In FY14, the Department of Audit's General Fund budget is **$1,304,123**. Based on this budget, OPM provided the Department with a savings target of **$10,649.86** in FY14. The Department will meet the target through savings in personal services from the management of vacant positions. This initiative will achieve a General Fund savings of **$10,650**.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Department of Audit	**$1,304,123**	**$10,649.86**	**$10,650**	**$1,293,473**

2. Office of the Attorney General (ATT)

The Maine Attorney General is the State's chief legal officer. The Office represents the State and its agencies in litigation, provides legal advice to the State government, and enforces Maine criminal law.

In FY14, the Office of the Attorney General's General Fund budget is **$15,083,571**. Based on this budget, OPM provided the Office of the Attorney General with a savings target of **$123,176.97** in FY14. The Attorney General will meet the target through savings in personal services from the management of vacant positions. This will provide a General Fund savings of **$123,177** in FY14.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Maine Office of the Attorney General	**$15,083,571**	**$123,176.97**	**$123,177**	**$14,960,394**

3. Department of the Secretary of State (SEC)

The Department of the Secretary of State has diverse responsibilities, including safeguarding and preserving Maine's historical documents, supervising the conduct of state elections, and overseeing the licensing of motor vehicle operators.

In FY14, the Department of the Secretary of State's General Fund budget is **$4,097,138**. Based on this budget, OPM provided the Department with a savings target of **$33,458.46** in FY14. The Secretary of State declined to participate in the Legislature's Part F savings effort and offered zero potential savings. OPM recommends that the Department's General Fund budget be reduced through financial order by **$33,458.46** in FY14.

One area in which the Secretary of State may be able to find savings is within its IT budget. The Secretary of State currently has its own IT staff, outside of the Office of Information Technology (OIT). OIT does provide some services to the Secretary of State. For example, OIT provides network connection, voice services, and Outlook e-mail, however, the Secretary of State administers the e-mail. The Secretary of State purchases its own computers, has its own small data center, and is responsible for its own applications systems and databases. We recommend the Secretary of State and OIT review redundant services to identify potential cost-savings.

Boards and Commissions

Even though the savings will be negligible, OPM has initiated a study of Maine's Boards and Commissions. The Secretary of State is responsible for a number of record-keeping and reporting functions for boards and commissions. Boards and commissions can provide a variety of tasks in government, such as advising agencies on current issues. They also can inject transparency and public access to a sometimes opaque government process. Over time, however,

a board's mission may lose its significance or the board's activities may cease. When this happens there is no reason to keep these boards and commissions on the book.

During our work for Part F, we identified some boards and commission that are inactive and recommend their elimination. It is important to note that eliminating a board or commission neither legally bars the Maine government from soliciting the advice of experts nor is it commentary on the importance of the issue for which the board was established.

Based on our review, we recommend the following inactive boards and commissions are considered for elimination:

- Advisory Committee to the Public Advocate
- Coastal Advisory Committee
- Commission on the University of Maine
- Commission to Study Workers' Compensation Insurance
- Governmental Metric Policies Committee
- Governor's Advisory Committee on Maine-Canadian Affairs
- Governor's Advisory Committee on World Trade
- Governor's Management Task Force
- Governor's Task Force on High Level Nuclear Waste
- Maine Science and Technology Board
- Maine Council on Vocational Education
- Governor's Municipal Advisory Council
- Advisory Board of the Maine Learning Technology Fund
- State Sentencing on Corrections Practice Coordination Council
- Governor's Committee on Employment of People with Disabilities

- Task Force on the Maine School of Visual and Performing Arts
- Advisory Committee on Radiation

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Department of the Secretary of State	$4,097,138	$33,458.46	$0	$4,097,138

4. Office of the Treasurer (TRE)

The Treasurer's Office is responsible for debt management, cash management, trust fund administration and unclaimed property administration for the State. The Treasurer also is a voting member on many of Maine's quasi-governmental debt issuing agencies and is responsible for distributions under the Municipal Revenue Sharing Program.

In FY14, the Office of the Treasurer's General Fund budget is **$1,867,467**. Based on this budget, OPM provided the Office with a savings target of **$15,250.30** in FY14. The Treasurer will meet this General Fund savings target through lower cost banking services.

Department	FY14 GF Budget	FY14 Target	FY14 Actual Savings	New GF FY14 Budget
Office of the Treasurer	**$1,867,467**	**$15,250.30**	**$15,250**	**$1,852,217**

IV. Fiscal Year 2015 Savings

a. Executive Departments and Agencies

1. Maine Department of Administrative and Financial Services (ADM)

The Department of Administrative and Financial Services (DAFS) has a broad range of responsibilities that include serving the Executive Branch, the Legislature, state agencies, and the public. DAFS serves as the principal fiscal advisor to the Governor, prepares the state budget, coordinates the financial planning and programming activities of state agencies, and provides advice to the Legislature on the financial status of State Government. DAFS oversees all aspects of the civil service system and employee training and benefits.

Additionally, DAFS conducts negotiations within the collective bargaining process on behalf of all state agencies. DAFS is responsible for maintenance of state owned buildings and grounds, management of public improvements (new construction, renovations and repairs), and procurement of leased premises. Various internal services for state agencies are also provided by the Department. These services include: a review of accounting transactions and procedures, implementation of account controls, operation of the computer network system, delivery of information technology services, coordination of postal services, administration of risk management/self-insurance, and management of purchases and surplus property. DAFS also administers the state's lottery operations and sale of alcohol and collects state revenues necessary to support state government and agency programs.

In FY15, DAFS has a General Fund budget of **$70,274,695**. Based on this budget, OPM provided the Department with a savings target of **$746,928.94** for FY15.

As part of their target savings, DAFS will manage vacancies for a savings of **$139,649**. Additionally, DAFS realized savings through consolidation by closing the Maine Revenue

Services Office in Houlton. The Executive Branch has the authority to close, relocate, or consolidate offices, and to relocate or layoff affected employees as long as it complies with the procedures set forth in the employee contract. The expenses associated with the office included space rental, maintenance, mailing costs, travel time, dedicated secure telephone lines, toll charges, security, and management oversight.

OPM also recommends a repeal of the statutory prohibition against charging a rental fee for vending facilities operated by clients of the Division for the Blind and Visually Impaired. Under current law[1] and DOL Rules[2], all facility costs including monthly electrical utility costs that are attributable to vending machines, cafeterias and snack bars in state-owned space may not be charged to such vendors and are therefore borne by the State. Though it will not produce General Fund savings, this initiative would allow the State to recoup utility costs and allow the state to invest the funds on needed maintenance and repairs to state facilities, instead of subsidizing private businesses.

By closing the office and relocating five employees to Augusta DAFS anticipates no loss of revenue arising from the closure, and it will achieve FY15 General Fund savings of **$607,280**. These initiatives combine for a total General Fund savings in FY15 of **$746,929.**

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Department of Administrative and Financial Services	**$70,274,695**	**$746,928.94**	**$746,929**	**69,527,766**

[1] 26 MRSA §1418-K
[2] Chapter 15, Sec. 8 (19), Department of Labor, Rules Governing the Business Enterprise Program

2. Arts Commission (ARV)

The Maine Arts Commission was created to encourage and stimulate public interest and participation in the cultural heritage and cultural programs of Maine. In addition to General Funds, the Commission receives funds from the National Endowment for the Arts and other federal sources.

In FY15, the Maine Arts Commission's General Fund budget is **$756,228**. Based on this budget, OPM provided the Arts Commission with a savings target of **$8,037.72** for FY15. The Commission will meet their target through the management of three vacant positions. By leaving these positions unfilled, the Commission will achieve a General Fund savings of **$8,038** in FY15. The Commission will cover any costs associated with a reduced staff by retaining some of the savings created by the vacancies.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine Arts Commission	**$756,228**	**$8,037.72**	**$8,038**	**$748,190**

3. Charter School Commission (CHA)

The Maine Charter School Commission is a body independent of the Maine Department of Education. The commission was established in 2011 as part of the new charter school law, Title 20-A Chapter 112: Public Charter Schools. The Maine Charter School Commission can authorize up to ten public charter schools throughout the state over ten years beginning in 2011.

In FY15, the Maine Charter School Commission's General Fund budget is **$150,000**. Based on this budget, OPM provided the Charter School Commission with a savings target of **$1,594.31** for FY15. The Commission proposes to meet the target by controlling usage of copying, printing, advertising, and postage. This will provide General Fund savings of **$1,594** over the course of FY15.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine Charter School Commissioner	**$150,000**.	**$1,594.31**	**$1,594**	**$148,406**

4. Maine Department of Corrections (COS)

The Maine Department of Corrections is responsible for the direction and administrative supervision, guidance and planning of both adult and juvenile correctional facilities and programs within Maine. The Department's mission is to reduce the likelihood that juvenile and adult offenders will re-offend by providing practices, programs and services that are evidence-based and that hold the offenders accountable.

Currently there are approximately 2100 prisoners incarcerated in five state facilities: Downeast, Bolduc, Charleston, Maine Correctional, and Maine State Prison, and four county facilities including: the Bridgeton jail, Cumberland County Jail, Kennebec County Jail, and Maine Coast Regional Reentry.

In FY15, the Maine Department of Corrections' General Fund budget is **$152,745,285**. Based on this budget, OPM provided the Department with a savings target of **$1,623,484.44** for FY15. Given the size of their target the Department of Corrections offered six initiatives to achieve the mandated savings.

First, the Department proposes a department-wide reduction in overtime. By reducing the amount of overtime allowed they will be able to save **$550,000** in FY15.

Second, because the prison population is currently within capacity, Corrections can transfer money from their Prisoner Boarding Account to their unappropriated General Fund surplus fund. This Prisoner Boarding Account is used to board prisoners with county jails when and if there is overcrowding. This has not been an issue for several years, and it has caused a balance to accumulate in the account. This transfer will achieve a General Fund savings of **$400,000**.

The third initiative the Department of Corrections will implement is transferring money form their Impact Reserve Account. This account was established to help fund the anticipated increase in correctional costs associated with imprisoning inmates convicted of illegal use of synthetic hallucinogenics. While there has been a small increase in cost, it has been below projections. The Department has authority to allow funding to be transferred between accounts for the purpose of paying expenses. The transfer from this account will total **$152,212,** bringing the total FY14 General Fund savings brought forward into FY15 to **$1,132,212.**

In addition to these FY14 initiatives brought forward to FY15, the Department of Corrections will also use administrative tools to increase revenue through their work program. Currently, state prisoners can enter the pre-release center twelve months before they are eligible for release and begin working. This provides prisoners greater work experience, which will benefit them in their transition back into society once they have completed their sentence. By increasing the pre-release work period, the Department will receive increased revenue as the prisoners will be working and paying for room and board for six additional months. The revenues raised by this change will then be transferred for administrative savings in FY15. This initiative will produce **$84,864** in FY15 General Fund savings and increase revenues going forward.

The General Fund administrative savings achieved by the Maine Department of Corrections totals **$1,217,076** in FY15. This money will be transferred from the Department through the financial order process.

With $1,217,076 in administrative savings, the Department is left with **$406,408** in their FY15 OPM target that must be achieved with legislative approval.

The Maine Department of Corrections proposes to achieve these savings by contracting out food service. This plan would eliminate "behind the kitchen" staff (staff who have no interaction with the prison population) and instead have the food prepared by a contractor. The Department has discussed this option internally over the last several years as they tried to address the ever-increasing cost associated with the food service program within the prison system.

There should be opportunities for those who are currently working "behind the kitchens" to find work with the contractor that will be hired to provide the food service. Legislative approval is required because the proposal eliminates these positions from the legislative headcount. If the legislature approves the proposal the Department estimates that the cost of the contract will be around $600,343 and deliver a net long term General Fund savings of **$404,270**.

This programmatic change, combined with the administrative actions that will be taken in FY15, produce a total FY15 General Fund savings of **$1,591,346** for the Maine Department of Corrections.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine Department of Corrections	**$152,745,285**	**$1,623,484.44**	**$1,591,346**	**$151,121,801**

5. Department of Economic and Community Development (ECC)

The Department of Economic and Community Development (DECD) aims to help communities and businesses prosper through a variety of programs, including targeted tax relief, community block grants, and tourism marketing. Through these programs, DECD can assist a business moving to Maine or moving Maine goods to market.

In FY15, the Department of Economic and Community Development's General Fund budget is **$11,689,156**. Based on this budget, OPM provided DECD with a savings target of **$124,240.58** for FY15.

The Department proposes to the meet the target by continuing their FY14 service center initiative. DECD will adjust their service center costs by dividing the costs proportionally to General, Federal, and Other Special Revenue funds, which will provide a savings of **$124,241**. With these initiatives DECD's total contribution toward the Part F General Fund savings target is **$124,241**, which meets their FY15 savings target.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine Department of Economic and Community Development	**$11,689,156**	**$124,240.58**	**$124,241**	**$11,564,915**

6. Board of Education (EDB)

The Maine State Board of Education is an advisory board to the State Commissioner of Education and makes education policy recommendations to the legislative and executive branches of government. Under state law, the Board's responsibilities include overseeing approval for school construction projects, administering federal funds for career and technical education, establishing standards for teacher certification, approving educator preparation programs, and recommending institutions of higher education for degree granting authority. The Board is an independent body, but it does receive some staff support from the Department of Education.

In FY15, the Maine State Board of Education's General Fund budget is **$160,502**. Based on this budget, OPM provided the Board of Education with a savings target of **$1,705.93** for FY15. The Board proposes to meet the target by reducing funding for per diem and travel expenses provided to board members. This will provide General Fund savings of **$1,706** over the course of FY15.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine Board of Education	**$160,502**	**$1,705.93**	**$1,706**	**$158,796**

7. Department of Education (EDU)

The Maine Department of Education is responsible for state education policy, implementing their strategic plan, and distributing funds to local communities. From a peak of around 250,000 students in the 1970s, student enrollment in Maine has been in steady decline. Projections predict that this decline will bottom out in the next several years. In 2012 there were 185,767 students in Maine; the schools they attended employed 15,324 teachers and 1,069 administrators.

Funding for education is a shared state and local responsibility. State funding to local school districts is based primarily on the Essential Programs and Services (EPS) formula. The Department of Education uses the formula to calculate the amount a district should expect to spend to provide an "adequate" education aligned with the Maine Learning Results academic standards, and determines the portion the state will pay based on available funds and local factors such as student enrollment and property values. The Department distributed $895.5 million in general purpose aid to its public school units in 2012.

In FY15, the Maine Department of Education General Fund budget is **$984,620,359.00**. As mentioned in the introduction to this report, for the purposes of determining the FY14 target for the Department, General Purpose Aid (GPA) funding was deducted from their total general fund budget along with debt service and teacher retirement, and was therefore not subject to a reduction of funding. However, in FY15, GPA was added back into the budget total used to determine a savings target. Based on this budget, OPM provided the Department of Education with a savings target of **$10,465,238.44** in FY15.

The task of achieving this level of savings is a challenging one and requires difficult choices and proposals. The Department of Education will use both administrative tools and program changes to find savings.

First, the Department will reduce the funding for a welcome center for foreign-trained workers. This funding was to hire a full-time coordinator to establish the center within the Portland adult education program. According to the Department, if private funds can be found to hire a coordinator it will move forward with the program, but if funding cannot be raised the program will be eliminated. This initiative will save **$75,000.**

Second, the Department will reduce funding for, and proposes eliminating, the Maine Educational Policy Research Institute contract (MEPRI). The MEPRI contract provides data, policy research, and evaluation to define and assess educational needs, services, and impacts. Established by the Legislature in 1995, MEPRI is a cooperative effort of the University of Southern Maine and the University of Maine.

The Institute tracks and reports on the condition of K-12 education in Maine. To that end, a survey of Maine principals is conducted every three years and the results are summarized in a publication entitled "The Condition of K-12 Public Education in Maine." On alternate years and at the beginning of each new legislature, the relevant school and municipal data is compiled and published in the Legislative Districts Education Report.

In recent years, this work has been largely under-utilized by the Legislature. Additionally, the research and data MEPRI provides is largely redundant of other work already being done in the Department. The Legislature has other avenues available to pursue project-specific studies, legislation creating task forces or work groups, the Legislative Council's budget for study groups, and the Office of Program Evaluation and Government Accountability all

provide the opportunity for the Legislature to get the information they need. The elimination of this contract will save **$250,000**.

The third savings initiative is an extension of the second, and comes from a reduction in funding for and the elimination of the Essential Program and Services (EPS) component of the MEPRI contract. This portion of the contract provides analysis and research into school funding. EPS is designed to ensure that all schools have the programs and resources that are essential for students to have an equitable opportunity to achieve Maine's Learning Results. At the direction of the Legislature, Picus, another contracting firm, is currently working on an in-depth study of the EPS formula. Another annual report from MEPRI at this point in time will be redundant. By reducing and eliminating this contract the Department will save another **$250,000**, securing a total ongoing General Fund savings from the MEPRI contract of **$500,000**.

Reducing funding for bus refurbishment is the fourth savings initiative. The bus refurbishment program was created by Governor Paul LePage in 2011 to take advantage of the expertise of the Maine Military Authority, which specializes in military and school bus restoration. The Maine Department of Education works collaboratively with the Maine Military Authority to help school districts extend the life of their bus fleet. However, current projections show that the number of districts using the bus refurbishing program will be below estimates. Due to the reduction in anticipated refurbishments, the Department is able to save **$100,000** in FY15.

Maine has had the Maine Learning Results as its standard for eight content areas since 1997. In 2011, the Maine Learning Results were updated to include the Common Core Standards as the standards for English language arts and mathematics. As part of this movement,

the Legislature adopted a requirement that school districts move toward a standards-based diploma.

To help with this transition, the Department established a fund to provide money to districts. However, each school district is transitioning at a different pace and as a result, the projected number of districts using the fund has been below expectations and has left unused funds in the account. The fifth General Fund savings initiative is a reduction in this fund by **$27,895** in FY15.

The Department also proposes several administrative savings initiatives, which involve improved management. The Leadership Team at the Department will save **$642** by reducing printing, copying and other general operating expenditures. Additional operating expenses will be reduced by the School Finance and Operations Team as well as the Special Services Team saving **$613** and **$1,417** respectively.

As part of these improved management initiatives the Learning Through Technology Team will review their contract management, and through improved management achieve a savings of **$107,000**. The PK-20 Team will likewise review their contract management and offer improvements to produce savings of **$34,678.**

The final components of management savings at the Department will come from a reduction in technology costs and accounting services costs. By working with the Office of Information Technology the Department of Education will reach a savings of **$50,000**. Similarly the Department will work with the Department of Administrative and Financial Services to reduce their accounting costs by **$5,861**.

The administrative savings the Maine Department of Education achieves totals **$903,106** in FY15. This money will be transferred from the Department through the financial order

process. With **$903,106** in General Fund administrative savings the Department is left with **$9,562,132** in their FY15 OPM target that must be achieved with legislative approval.

To close the Department of Education's portion of the **$33,750,000** gap created by Part F of the biennial budget, OPM proposes to reduce administration costs funded through General Purpose Aid. By far the largest portion of the Department budget, subsidy payments must be reduced to achieve the savings required by the Legislature in Part F. The Legislature provided additional GPA funding for the 2013/2014 academic year late in the session, and after most school units had finalized their budgets. Since most units chose not to enact new budgets, the additional GPA money has been largely unspent. This balance forward will help mitigate the overall impact of the GPA cuts that we are proposing for FY15.

OPM believes the best approach to applying a reduction to GPA is focusing on administration costs. According to the US Census Bureau, Maine's general administration costs are four percent of total per-pupil spending, while the national proportion is two percent[3]. More conservative estimates put Maine's administration costs at three percent of the total per-pupil spend[4].

To move towards a two percent administration cost, DOE has looked at the most efficient schools and determined that the appropriate per-pupil administration rate reflected in the EPS calculation is $222. OPM proposes that this GPA reduction be applied to units with high administration costs and recommends, for the purposes of meeting the GPA savings target, that schools with administration costs of $230 or lower should be exempt from the reduction to GPA in FY15.

[3] The US Census Bureau, *Public Education Finances: 2011*, May 2013
[4] Maine Department of Education, *Resident Expenditures,* 2011-2012

On the other end, extremely small schools necessarily have a higher per-pupil administration cost. This is, of course, the result of having fewer students to distribute the cost across. It would be counterproductive to ask these units to reduce their administration budgets without further study, though it might benefit them to work together or with other larger schools in their region to find areas of potential collaboration on administrative costs. For the purposes of applying this adjustment, OPM proposes that any school with a student population of 500 or fewer should be exempt from the GPA reduction.

OPM proposes that the Department of Education use this filter to apply the GPA reduction proportionally, with an emphasis on the need for these units to address their administration costs and reduce them to the $222 per-pupil range. By doing this, the Department will be able to begin addressing the high average cost of administration in Maine, while reducing the impact on small schools and those schools that are already controlling those costs.

All of these initiatives combine for a total FY15 General Fund savings of **$10,465,238.**

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine Department of Education	**$984,620,359**	**$10,465,238.44**	**$10,465,238**	**$974,155,121**

8. Ethics Commission (ETH)

The Maine Commission on Governmental Ethics and Election Practices is an independent state agency that administers Maine's campaign finance laws, the Maine Clean Election Act, and the lobbyist disclosure law. It also issues advisory opinions and conducts investigations of legislative ethics.

The Maine Commission on Governmental Ethics and Election Practices, as an independent State agency, adopts procedures, rules, and regulations to conduct its duties promptly, fairly, and efficiently, and guards against corruption and undue influence on the election process by state, county, and certain municipal elected officials.

In FY15, the Maine Commission on Governmental Ethics and Election Practices General Fund budget is **$135,612**. Based on this budget, OPM provided the Ethics Commission with a savings target of **$1,441.38** for FY15. The Commission proposes to meet the target in two ways. First the Commission will reduce their General Operations budget and second they will reduce their Office and Other Supplies budgets. Together, these changes achieve a General Fund savings of **$1,441**.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine Commission on Governmental Ethics and Election Practices	**$135,612**	**$1,441.38**	**$1,441**	**$134,171**

9. Maine Department of Environmental Protection (EVP)

The Department of Environmental Protection (DEP) is responsible for protecting and restoring Maine's natural resources and enforcing the state's environmental laws. The Department's current organization consists of the Commissioner's Office and three bureaus that administer the Department's environmental programs, Air Quality, Land and Water Quality, and Remediation and Waste Management.

The Board of Environmental Protection is a seven-member citizen's board nominated by the Governor and confirmed by the Legislature that performs major substantive rulemaking, makes decisions on select permit applications and appeals of Commissioner licensing and enforcement actions, and provides a forum for public participation in department decisions. DEP is directed to prevent, abate and control the pollution of the air, water and land. The charge is to preserve, improve and prevent degradation of the natural environment of the State. The Department is also directed to protect and enhance the public's right to use and enjoy the State's natural resources.

In FY15, the Maine Department of Environmental Protection's General Fund budget is **$6,577,370**. Based on this budget, OPM provided DEP with a savings target of **$69,908.92** for FY15.

DEP will achieve these savings by working with the Office of Information Technology (OIT) to develop a cloud computing pilot program. DEP will shift to web-based mail and a web-based drive with the help and oversight of OIT. The savings associated with using this cloud computing software is **$70,000** and is a good opportunity for OIT, as well as DEP, to explore the effectiveness of cloud computing in state government.

It is important to note that, should the pilot not realize the projected savings, the DEP will deliver the **$70,000** General Fund savings from contract savings within the Department. With these savings, the Department of Environmental Protection reaches their FY15 target.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine Department of Environmental Protection	**$6,577,370**	**$69,908.92**	**$70,000**	**$6,507,370**

10. Finance Authority of Maine (FIO)

The Finance Authority of Maine (FAME) provides access to innovative financial solutions to help Maine citizens pursue business and higher educational opportunities. FAME was established as Maine's business finance agency in 1983 and charged with supporting the startup, expansion, and growth plans of Maine's business community. The agency works closely with Maine's lending community to improve access to capital as well as to fill gaps that exist in the State's capital delivery system.

FAME offers a wide array of business assistance programs, ranging from traditional loan insurance for both small and large businesses to tax credits for investments that individuals make in dynamic, growth-oriented, manufacturing or export-related firms. The mission of FAME also includes responsibility for administering the State's higher education finance programs. Through a variety of loan, grant and scholarship programs, FAME helps Maine students and families meet the costs associated with higher education.

In FY15, the Finance Authority of Maine's General Fund budget is **$10,670,394**. Based on this budget, OPM provided FAME with a savings target of **$113,412** for FY15.

To achieve this target, FAME will defund the Opportunity Maine Marketing Initiative. The marketing initiative was intended to promote awareness of the educational opportunity tax credit offered by Maine. FAME had planned to hire Opportunity Maine to market the tax credit, however FAME already promotes the credit as part of their role in administering the State's higher education finance program. This initiative will save **$22,000**.

In addition to this initiative and administrative savings brought forward from FY14, OPM and FAME propose three initiatives to reach their target in FY15.

First, FAME will reduce funding for and eliminate the Northern Maine Transmission Corporation Fund. The Corporation was established to evaluate electric transmission interconnections between northern Maine and the rest of the United States and Canada, transmission of natural gas or other energy resources in northern Maine, and construction of additional electric generation facilities in or adjacent to northern Maine. It is also to examine and finance, at its discretion, the need for and viability of electric transmission lines to connect electric utilities in northern Maine with the transmission grid of the United States or Canada. The fund is overseen by the Authority with the purpose of advancing the Corporation's mission. While there remain unique challenges to northern Maine's electric system, including reliability and competitiveness, there are more effective vehicles to address issues through stakeholder groups, the Public Utilities Commission and the Public Advocate's Office than this long-defunct corporation. The Corporation Fund is a non-lapsing revolving account that, due to lack of interest and use, has been dormant for years. Taking the balance of this account will provide **$8,692.24** in FY15 savings.

The next savings proposal will reduce funding for and eliminate the Waste Oil Furnace Loan Program. The program fund was established to assist with the purchase of waste oil furnaces but, like the Corporation Fund, the Waste Oil Furnace Loan program has been dormant for several years due to lack of use and interest. Taking the balance in this account and eliminating the program produces a General Fund savings of **$3,254**.

The next initiative does not create savings but addresses, as in the first two initiatives, funds that FAME is responsible for that are no longer used. FAME will reduce the funding for and eliminate the Quality Child Care Grant Program. The function of the program is to make available funds to help students working toward a certification in a career as a child care

provider. Funding, however, has languished in this account due to lack of interest and use. The **$8,019** in this account is from the Fund for Healthy Maine (FHM) and will be returned to FHM. As a result of returning this money, OPM does not count the account balance toward FAME's target or Part F savings.

The total General Fund administrative savings the Finance Authority of Maine achieves is **$33,947.52** in FY15. This money will be transferred from the FAME through the financial order process. While the **$33,947.52** is well short of their FY15 target of **$113,412**, these General Fund savings contribute to the overall goal of closing the **$33,750,000** savings requirement created in Part F without affecting FAME's core mission.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Finance Authority of Maine	**$10,670,394**	**$113,412**	**$33,947.52**	**$10,636,447**

11. Historic Preservation Commission (HIV)

The Maine Historic Preservation Commission is an independent agency within the Executive branch that functions as the State Historic Preservation Office. The Commission is responsible for the identification, evaluation, and protection of Maine's significant cultural resources as directed by the National Historic Preservation Act of 1966, and is one of the seven member agencies and organizations of the Maine Cultural Affairs Council (CAC).

In FY15, the Maine Historic Preservation Commission's General Fund budget is **$290,984**. Based on this budget, OPM provided the Historic Preservation Commission with a savings target of **$3,092.78** for FY15. The CAC members receive an annual General Fund allocation from an account held by CAC. The Commission proposes using part of this allocation to meet their target, achieving a savings of **$3,093**.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine Historic Preservation Commission	**$290,984**	**$3,092.78**	**$3,093**	**$287,891**

12. Maine Department of Health and Human Services (HUM)

The Department of Health and Human Services' (DHHS) mission is to provide integrated health and human services to the people of Maine and to assist individuals in meeting their needs. DHHS is the largest Department in state government, and makes up about one-third of the General Fund budget.

The Department administers the Medicaid program and is charged with providing to adults, children and families economic assistance and employment support services, behavioral health services, including mental health and substance abuse prevention and treatment services, developmental disability and brain injury services, physical health services, and public health services.

In FY15, the DHHS' General Fund budget is **$1,096,837,679**. Based on this budget, OPM provided the DHHS with a savings target of **$11,657,963.13** in FY15. Being able to find such substantial savings over such a limited time is not an easy task. DHHS will use both administrative tools and program changes to find savings, but the Department's proposed initiatives only cover about **$8,590,000** of their target.

The first two initiatives are the results of DHHS's review and assessment of the Centers for Disease Control (CDC) programs and budget. Based on its review, DHHS recommends two initiatives.

The Maine Immunization Program (MIP) works to ensure that all Maine children and adults are protected from vaccine-preventable diseases. Through cooperative partnerships with public and private health practitioners and community members, MIP provides vaccines, comprehensive education and technical assistance, vaccine-preventable disease tracking and outbreak control, and accessible population-based management tools. The proposal will reduce

the funding for the program by **$1,000,000**. Currently, the program has Federal funds in the FY14/15 budget of $12,427,340 as part of the Universal Vaccine Program and $1,800,000 General Fund budgeted for immunizations. DHHS' review suggests that there is sufficient funding for the vaccination program through the Federal allotment and insurance company assessment to cover the **$1,000,000** reduction in General Funds.

The second proposal is a consolidation and alignment of the Public Health Nursing program and Maine Families Home Visiting program. The Public Health Nursing program's (PHN) mission is to provide expertise and leadership to improve the health of certain Maine populations. PHN services includes assessing health status, defining health options, developing policies, and assuring access to services for individuals, families, and communities.

The Maine Families Home Visiting program offers voluntary parent education and family supports for first time families with children from before birth through five years of age. A professional home visitor partners with families to access information and resources that can support the physical and emotional health of babies and entire families. It is offered on a universal basis free of charge and participation is voluntary. There are twelve DHHS-funded Home Visiting Sites throughout Maine.

The Department proposes a consolidation and alignment of these two programs. Both the Public Health Nursing Program and Home Visitation program are focused on maternal and child health objectives with sixty percent of the Public Health Nursing Program's funds dedicated to this area. The Maine Families Home Visiting program is funded through a $30 million grant. The Public Health Nursing Program receives over $3 million in General Funds. The consolidation and realignment effort would result in a General Fund savings of **$500,000** in

FY15 while ensuring that PHN is focused on its core mission. The Department does not anticipate a reduction in direct services as a result of this effort.

Under the next initiative, DHHS proposes the elimination of the state General Fund share of the Head Start program, for a savings of **$448,875.00** in FY15.

The decision by many local schools to expand early childhood development programs means that Maine children being served by the state will now have local public options. DHHS and the Department of Education will be working together as part of their ongoing joint task force on early childhood development to ensure that the needs of children are met and redundancy is minimized.

The DHHS proposal will save Maine taxpayers money, but leave intact the FHM funding portion of Head Start. Additionally, OPM recommends that through the joint task force, the Department should work with the Department of Education to identify and eliminate overlap and unnecessary redundancy within the early childhood development programs, maximize federal dollars through Federal Pre-K development opportunities, and create strategies for encouraging private and in-kind donations for Head Start.

The next savings initiative involves restructuring the General Assistance (GA) program to make it more equitable across the state. DHHS proposes to disburse funds for General Assistance (GA) to municipalities, to the extent funds are made available by the Legislature, in an amount equal to fifty percent of the municipality's GA expenditures. Cities and towns will have a great deal of leeway in developing their GA programs, but the additional higher-match dollars are eliminated. The GA funds will continue to be allocated on the basis of the past three years of total municipal GA expenditures (with special provisions for the Unorganized Territories and minimal allocations to municipalities that had no GA

expenditures). Municipalities will be required to match their state allocation dollar-for-dollar and will be subject to Department audit to confirm that their use of funds is in compliance with statute. This should make the system more equitable and help reduce the rate of GA growth within "service center" communities. Municipalities will be free to use creative approaches, and should look to develop regional and other cooperative approaches to offset costs of the program and improve the delivery of services. These changes will result in a savings of **$1,200,000** in FY15.

The last three initiatives are all management initiatives. First, the Department plans to work with the Office of Information Technology (OIT) to achieve a savings of **$119,000** with a specific focus on eliminating OIT charges for a computer left at an unoccupied desk. Next, the Department will review mail practices in the Office of MaineCare Services to identify and achieve **$100,000** in savings. Lastly, DHHS will achieve **$4,000,000** in General Fund savings by management of vacant positions in DHHS.

Together, these administrative savings and proposals achieve **$7,367,875** in FY15, well short of their General Fund savings target.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine Department of Health and Human Services	**$1,096,837,679**	**$11,657,963.13**	**$7,367,875**	**$1,089,469,804**

13. Maine Department of Inland Fisheries and Wildlife (INL)

The Maine Department of Inland Fisheries and Wildlife (IF&W) is responsible for maintaining and protecting Maine's fish and wildlife for their intrinsic and ecological value. The Department has five divisions, the Commissioner's Office, Division of Resource Management, Licensing, the Maine Warden Service, and Information and Education. IF&W is also the department responsible for issuing licenses, permits and registrations, enforcing laws, rules and regulations governing fish and wildlife utilization and outdoor recreation, and educating people on Maine's fish and wildlife species, outdoor recreational opportunities and safety.

In FY15, the Maine Department of Inland Fisheries and Wildlife General Fund budget is **$24,293,705**. Based on this budget, OPM provided the Department with a savings target of **$258,210.60** for FY15.

The three initiatives IF&W is using to achieve these target savings require moving costs from the General Fund to other account funds. The first two will continue FY14 initiatives, first paying for administrative costs within the predator control program out of Other Special Revenue funds (OSR). In this initiative, the Department of Inland Fisheries and Wildlife will use this source to fund a program that ensures that predator populations remain stable. This will deliver a General Fund savings of **$50,000**.

The second initiative moves funding related to fish stocking to the Department's Lifetime License Fund. The Lifetime License Fund was established from the money paid by Mainers and others purchasing a lifetime license. These licenses are offered to Mainers 65 and older and 15 and younger. The fees range from $150 for a child under six seeking a single license to $800 for a child under 15 seeking a combination license. The Lifetime License Fund allows for the money to be spent on programs and initiatives that benefit hunting, fishing, trapping and other

activities associated with the various licenses. By using this fund to support fish stocking, a savings of **$146,177** can be achieved.

The new administrative savings initiative for the Department of Inland Fisheries and Wildlife in FY15 is to again address administrative costs in Landowner Relations by transferring funding to an OSR account. The Landowner Relations Program is a joint effort between the Maine Department of Inland Fisheries and Wildlife and the Department of Agriculture Conservation and Forestry to promote good landowner relations to ensure continued public access to private land. The change in the funding account for this position will have no effect on the program. This shift will save **$8,211**.

These administrative changes combine to produce a total FY15 General Fund savings for the Maine Department of Inland Fisheries and Wildlife of **$258,211**, achieving the Department's target savings.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine Department of Inland Fisheries and Wildlife	**$24,293,705**	**$258,210.60**	**$258,211**	**$24,035,494**

14. Maine Center for Innovation (INN)

The Maine Center for Innovation (MCI) is an independent, taxpayer-funded, not-for-profit corporation tasked with the promotion and marketing of Maine's aquaculture products and applied aquaculture research. MCI assists in the formulation of policies favorable to industry growth, serves as a clearing house for aquaculture information, and interacts with government organizations, aquafarms and general public.

In FY15, the Maine Center for Innovation (MCI) General Fund budget is **$118,009**. Based on this budget, OPM provided MCI with a savings target of **$1,254.28**. Unfortunately, MCI did not respond to the OPM communication, and OPM received no initiatives from MCI addressing the FY14 target. OPM recommends that the MCI General Fund appropriation for FY15 is reduced by **$1,254.28** through financial order.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine Centers for Innovation	**$118,009**	**$1,254.28**	**0**	**$118,009**

15. Department of Labor (LAB)

The Maine Department of Labor promotes the safety and economic wellbeing of all individuals and businesses in Maine by promoting independence and lifelong learning, fostering economic stability, and by ensuring the safe and fair treatment of all people on the job.

In FY15, the Department of Labor's General Fund budget is **$9,497,171**. Based on this budget, OPM provided the Department of Labor with a savings target of **$100,942.62** in FY15. While the Department tried to identify savings beyond those of FY14 they ultimately were only able to offer a savings of **$15,000.**

The FY15 savings is achieved through the reduction of interpreting services for non-vocational rehabilitation services. This is a proposal that is carried forward from their FY14 savings initiatives. These funds are not part of any federal match and are unrelated to Title I services.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine Department of Labor	**$9,497,171**	**$100,942.62**	**$15,000**	**$9,487,171**

16. Maine State Library (LIB)

A member of the Maine Cultural Affairs Council, the Maine State Library facilitates access to and delivery of library services for the state of Maine. The library is governed by the Library Commission, a seventeen-member panel appointed by the Governor that is responsible for establishing the policies and operations of the library.

In FY15, the Maine State Library General Fund budget is **$3,183,503.** Based on this budget, OPM provided the Maine State Library with a savings target of **$33,836.51** for FY15.

The Library proposes to the meet the target in two ways. First, they will contract out the supply of public access computers and related support. Currently, this is done by the State Office of Information Technology (OIT). Unlike computers used by state workers, the public access computers are neither on the State network nor do they access any state network resources. This contractual change achieves a savings of **$20,000** in FY15.

The second savings initiative is a reduction in the General Fund appropriation to the Library from the New Century Fund for a General Fund savings of **$5,000**. The New Century Program is intended to revitalize downtown areas, support cultural tourism, increase access to digital resources and expand the creative economy of the state. The New Century Fund provides grants and services to a wide spectrum of Maine's cultural community and is administered by the Maine State Cultural Affairs Council. The fund allocates General Funds to members of the Cultural Affairs Council.

These two Maine State Library savings initiatives combine for a total General Fund savings of **$25,000** in FY15, leaving them **$8,836** short of their target.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine State Library	**$3,183,503**	**$33,836.51**	**$25,000**	**$3,158,503**

17. Department of Marine Resources (MAR)

The Department of Marine Resources' (DMR) principal mission is to protect, conserve, and develop Maine's marine and estuarine resources. To support its mission, DMR conducts and sponsors scientific research, promotes Maine's coastal fishing industry, and works with local, state, and federal officials on activities concerning coastal Maine waters. In FY15, the General Fund budget for the Maine Department of Marine Resources is **$9,530,439**. Based on this budget, OPM provided the Department of Marine Resources with a savings target of **$101,296.22** for FY15. The Department offers two proposals to achieve this target.

First, the Department will reallocate the cost for a Marine Resource Scientist I from seventy-five percent General Fund and twenty-five percent Federal Funds to twenty-five percent General Fund, twenty-five percent Federal Funds, and fifty percent funds from the Lobster Management account. The Department says that there will be no impact to the lobster program as a result of this change.

The position is responsible for the oversight and operation of two critical lobster sampling programs: a sea sampling program of the lobster fishery that takes place from May through November, and a vent-less trap survey of the lobster fishery from June through August. These programs collect catch, effort, and biological data from Maine's most valuable fishery for use in stock assessments and management decisions. This position is also responsible for maintaining and updating the Bureau's Geographic Information System (GIS) data layers for use by the Department in environmental permitting and management recommendations. This will provide General Fund savings of **$37,409** over the course of FY15.

The second proposal is to eliminate a Scientist I position for a net ongoing savings of **$63,887**. This position is affiliated with the Marine Biotoxin Monitoring Program administered

by the Department's Bureau of Public Health. When a toxin is found at levels near or above those at which human illness may occur, closures to the harvest of shellfish in those areas are implemented. Maine has historically had high levels of Paralytic Shellfish Poison (PSP), or "Red Tide," during the warmer periods of the year. The DMR Bureau of Public Health Biotoxin Program plans to upgrade testing techniques to a high performance liquid chromatography (HPLC) method for most species of bivalve shellfish (clams, mussels, oysters etc.). The program is also considering changes to its sampling strategy, including creating regional mussel closures during the height of the biotoxin season. To make these changes the Department is requesting that they keep $10,000 of the savings achieved through the elimination of the position to fund the contracted work. These changes will allow the biotoxin work to continue uninterrupted, without the Scientist I position.

These two Marine Resource savings initiatives combine for a total General Fund savings of **$101,296** in FY15, meeting their target.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine Department of Marine Resources	**$9,530,439**	**$101,296.22**	**$101,296**	**$9,429,143**

18. Maine Potato Board (POB)

The Maine Potato Board helps to provide a competitive environment for Maine potato growers, processors, and dealers to create stability and protect the infrastructure for future growth. They are also responsible for highlighting the economic importance of the potato to the state and promoting the quality of the product.

In FY15, the Maine Potato Board General Fund budget is **$160,902**. Based on this budget, OPM provided the Board with a savings target of **$1,710.18** for FY15. The Potato Board will meet this target savings by reducing the funding for the Seed Potato Board but then applying the reduction across the board's operation to minimize impact. This effort will produce a General Fund savings of **$1,710** in FY15.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine Potato Board	**$160,902**	**$1,710.18**	**$1,710**	**$159,192**

19. Department of Professional and Financial Regulation (PRS)

The Department of Professional and Financial Regulation protects the citizens of Maine through the regulation of State-chartered financial institutions, the insurance industry, grantors of consumer credit, the securities industry, and numerous professions and occupations providing services to the public.

The Department protects consumers through its licensing, examining, and auditing activities, by conducting programs aimed at increasing voluntary compliance with State laws, by investigating possible violations of law, and by undertaking enforcement actions. The Department responds to consumer complaints and requests for information and conducts educational and outreach programs to make consumers aware of their rights under Maine laws. OPM did not send a target letter to the Department of Professional and Financial Regulation as it does not receive any General Funds. However, OPM did reach out to the Department to discuss possible good government initiatives involving the structures and functions of the Department, which could be moved forward as a part of Part F.

As such, OPM and the Department propose to discontinue certain state licensing programs within the Department of Professional and Financial Regulation. According to the Department, the financial impact of discontinuing these programs would be minimal and would not jeopardize the health, safety and welfare of Maine citizens. Discontinuation of these licensing programs would allow the staff of the Office of Professional and Occupational Regulation (OPOR) to devote additional time and attention to robust and active licensing programs.

Introduction

> The sole purpose of an occupational or professional regulatory board is to protect the public health and welfare. A board carries out this purpose by

> ensuring that the public is served by competent and honest practitioners and by establishing minimum standards of proficiency in the regulated professions by examining, licensing, regulating and disciplining practitioners of those regulated professions. Other goals or objectives may not supersede this purpose.[5]

State action to impose licensure requirements on any group of professionals is a valid exercise of the state's police power. This exercise should be reserved for groups of professionals that potentially pose a significant threat to public health and safety in the absence of state licensure.

OPM and the Department have identified four licensing programs currently operating within the Department's Office of Professional and Occupational Regulation for discontinuation. These programs and the factors considered by the Department in making the recommendations to discontinue them are set forth below.

Programs

- Board of Licensing of Dietetic Practice, established in 1985;
- Athletic Trainer Licensing Program, established in 1995;
- Board of Certification of Geologists and Soil Scientists, established 1973; and
- Landscape Architect and Interior Designer licensing (currently part of Board of Architects, Landscape Architects and Interior Designers), established in 1945; landscape architects added in 1977; interior designers added in 1993.

Board of Licensing of Dietetic Practice

Established in 1985, the Board of Licensing of Dietetic Practice licenses individuals in four license categories: dietician, dietetic technician, temporary dietitian and temporary dietetic

[5] 10 MRSA §8008.

technician. Currently, 435 individuals are licensed by the Board and there has been no increase or decrease in the number of licensees for the past ten years. The purpose of the Board is "to recognize the professional qualifications of dietitians and dietetic technicians and to assure the availability to the public of information regarding those who hold themselves out to be dietitians and dietetic technicians."[6]

"Dietetics" means the professional discipline of assessing the nutritional needs of an individual, including recognition of the effects of the individual's physical condition and economic circumstances, and the applying of scientific principles of nutrition to prescribing means to ensure the individual's proper nourishment and care.[7]

Licensure of dieticians is based on educational and examination requirements established by the Commission on Dietetic Registration ("CDR"), a credentialing agency that provides certification for the dietetic profession at the national level.

The practice act for the dietetic profession exempts the following individuals from licensing requirements:

- Individuals licensed or registered in this State under any other law who are prohibited from engaging in the profession or occupation for which that person is licensed or registered;
- Individuals who give general nutrition-related information;
- State and federal employees in state or federally-funded cooperative extension food and nutrition programs and supplemental food and nutrition programs for women, infants and children;
- Individuals who market or distribute food, food materials or dietary supplements or any

[6] 32 MRSA §9901.
[7] 32 MRSA § 9902(4).

person who engages in the explanation of the use of those products or the preparation of those products or services; and

- Individuals who provide weight control services under certain circumstances.

Complaints filed between 2000 and 2013 are administrative in nature. Eighty percent or forty-three of the fifty-four complaints filed were filed by Board staff because of licensee failure to comply with continuing education requirements. The balance of complaints relate to unlicensed practice (4), aiding and abetting unlicensed practice (2), practice after license expiration (1), and failure to disclose a criminal conviction (1). **No consumer initiated complaints have been filed.**

The Board met once in 2011, did not meet in 2012 and has not met in 2013. Most board meetings are cancelled because of a lack of agenda items that would require board action. Board staff review and process initial and renewal license applications, respond to few phone and email inquiries, and administer the continuing education audit process for the program.

Given the absence of consumer complaints, and the low level of required activity by the Board, it appears that there is no longer an active role for the Board of Licensing of Dietetic Practice and the licensing program. Licensees are employed by public and private schools, day care centers and a number of health related facilities including hospitals and nursing facilities that are subject to regulation by the Department of Health and Human Services. Given that the current state license for dietitians is based on a national credential, these hiring facilities could, on their own, require the national credential as a condition of employment and maintain public safety.

Further, licensed dieticians are not mandated reporters under Title 22 and licensees are not eligible for third payment reimbursement under the Maine Care program. Impact on the public if the licensing program is discontinued would be negligible.

OPM and the Department recommend that the dietetic licensing program be discontinued.

Athletic Trainer Licensing Program

Established in 1995, the athletic trainer licensing program is administered directly by the Director of the Office of Professional and Occupational Regulation within the Department of Professional and Financial Regulation. There is no associated licensing board and there has been no need to promulgate rules for this program.

There are currently 242 individuals licensed as athletic trainers. On average, between five to ten new applicants are licensed annually. 32 MRSA c. 127-A is a title law. The statute reserves the title “athletic trainer” for those individuals who have obtained a state license. Other individuals may provide the same or similar services but they are not permitted to use the title “athletic trainer.” The statute defines "athletic trainer" to mean a person licensed by the department to use that title after meeting the requirements of the law.

A national credential from the National Athletic Trainers’ Association (“NATA”) is the minimum requirement for state licensure.

"Athletic training" includes prevention of athletic injuries; recognition and evaluation of athletic injuries; management, treatment and disposition of athletic injuries; rehabilitation of athletic injuries; organization and administration of an athletic training program; and education and counseling of athletes, recreational athletes, coaches, family members, medical personnel and communities in the area of care and prevention of athletic injuries.

Although athletic trainers are permitted to render emergency care or the care of minor sprains, strains and contusions, all other physical injuries are beyond the expertise of an athletic trainer and must be referred to a licensed physician, dentist or physical therapist for appropriate treatment. Athletic trainers work largely under the supervision of licensed physicians and physical therapists.

Since the establishment of the licensing program in 1995, six complaints have been filed. All six alleged unlicensed practice and were dismissed. No complaints have been filed since 2006. There is negligible contact between the public, licensees and OPOR staff about this program. The effect of the existence of this license on public safety is minimal. Athletic trainers are employed by public and private educational institutions in Maine. In the absence of a state licensing program, those institutions could require the NATA national certification for athletic trainers as a condition of employment. Because of the close supervisory connection between the medical profession and athletic trainers, medical licensure boards in many states regulate licensed athletic trainers.

Given the absence of consumer complaints about licensees of this program, the low level of impact of these licensees on the safety of the Maine population as a whole, and the ability of employers to require the NATA national credential as a condition of employment, the discontinuance of this licensing program would not jeopardize public safety. OPM and the Department recommend discontinuance of the Athletic Trainer License in Maine.

Board of Certification of Geologists and Soil Scientists

The Board of Certification of Geologists and Soil Scientists was established in 1973. There are currently 332 individual licensees—257 geologists and 75 soil scientists. On average, one new applicant is licensed annually. The State Geologist and State Soil Scientist, both

employees of the Department of Agriculture, Conservation and Forestry, are ex officio members of the board.

Geology is defined by statute as "a science which treats of the earth as a whole; the investigation of its composition, its size, shape and relationships between consolidated and unconsolidated rock units in the regolith and bedrock; and the applied aspects of utilizing knowledge of the earth and its constituents; including its consolidated and unconsolidated rock units, its minerals, liquids, gases and other materials for the benefit of mankind."[8]

Soil Science, also known as "Pedology" is defined by statute as that "aspect of soil science which involves, among others, the nature, properties, formation, classification, functioning behavior and response to use and management of soils; it shall include the mapping and identification of soils, and the interpretation of soil properties."[9]

These two professions are governed by a practice law that prohibits any individual without a state license to practice.

The program's complaint history is minimal. Between 2000 and 2013, three complaints have come before the board. Two complaints were dismissed and the third complaint filed in January 2008 that resulted in a board decision and order after hearing is on appeal to the Law Court. The board met twice to discuss the 2008 complaint filed by the Department of Environmental Protection against a licensee. The Board did not meet in 2009. The Board met once in 2010 to conduct an adjudicatory hearing on the 2008 complaint. The board did not meet in 2011. The Board met twice in 2012, once to discuss the Superior Court remand on the 2008 case and once to review the decision and order on the remand.

[8] 32 MRSA §4902(5)
[9] 32 MRSA §4902(6)

OPM and the Department can discern no need to continue regulating this profession. The Department receives no inquiries from the public about licensees or the program itself. Although the administrative complaint process is available to the public, consumers have had no need to use the complaint process. OPM and the Department recommend discontinuation of the licensing program for geologists and soil scientists without jeopardy to public safety.

Landscape Architects and Interior Designers

These two occupations are regulated by the state through administration of the Board of Architects, Landscape Architects and Interior Designers. The Board of Architects was initially established in 1945. Landscape architects were added to the board's regulatory oversight in 1977 and interior designers were added to the statute in 1993. Landscape architects and interior designers are regulated by a title law, which means that unlicensed individuals may provide the same services as a licensee but they cannot use the title "landscape architect" or "interior designer."

There are 179 individuals licensed as landscape architects and 34 licensed as interior designers. There has been a twenty percent increase in the number of licensed landscape architects over the last ten years with no change in the number of interior design licenses. The Board issues only individual licenses, not business licenses; the Board does not license or regulate landscapers or landscaping businesses.

The Department's administrative complaint process is available to the public, however during the past ten years only five complaints have been filed against landscape architects. Four of those were administrative in nature, i.e. lack of license qualifications, continuing to practice after expiration, and one complaint alleging a conflict of interest for a landscape architect serving

on a town planning board was dismissed. There have been no consumer complaints against interior designers.

The minimum licensing standard for each of these occupations is set by a national regulatory agency; the Council on Landscape Architectural Registration Board "CLARB" handles landscape architects and National Council for Interior Design Qualifications "NCIDQ" sets standards for interior designers. CLARB's mission is to foster the public health, safety and welfare related to the use and protection of the natural and built environment affected by the practice of landscape architecture. It supports the licensure boards in protecting the health, safety and welfare of the public through the establishment of standards of competency and the preparation, administration and scoring of the Landscape Architect Registration Examination (L.A.R.E.). NCIDQ is an independent, nonprofit organization of state and provincial credentialing bodies that has been issuing professional certificates to competent interior design professionals since 1974. It protects public health, safety and welfare by identifying interior designers who have the knowledge and experience to create interior spaces that are not just aesthetically pleasing, but also functional and safe. Interior designers who meet NCIDQ's eligibility requirements for education and experience and pass the NCIDQ Examination are assigned a unique NCIDQ Certificate number that attests to their qualifications for employers and the general public.

In Maine, any adverse impact on public safety of these two groups of licensees is minimal, based on the absence of consumer complaints and the absence of phone and email inquiries about the two types of licenses addressed by this recommendation.

OPM and the Department recommend discontinuing licensing and regulation of landscape architects and interior designers based on the considerations above.

20. Maine Public Broadcasting (PUE)

Maine Public Broadcasting (MPBN) provides radio and television programming as an alternative to privately-owned radio and television stations, and provides emergency broadcast services for the state. Public radio and television broadcasting in the United States is organized as a cooperative of community-based stations that pool resources to create shared national programming and individually serve the needs of their communities. The Maine Public Broadcasting Network serves Maine and also reaches most of New Brunswick, Canada, and parts of New Hampshire and Massachusetts.

MPBN is receiving a General Fund appropriation of **$1,500,000** in FY15. Based on this budget, OPM provided MPBN with a savings target of **$15,943**. Unfortunately MPBN neither responded to their target letter nor provided OPM with any savings initiatives. OPM recommends that the MPBN General Fund appropriation for FY15 is reduced by **$15,943** through financial order.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine Public Broadcasting	**$1,500,000**	**$15,943**	**$0**	**$1,500,000**

21. Department of Public Safety (PUS)

The Department of Public Safety's mission is to protect the lives, rights, and property of the people of Maine. The Department is composed of the Maine State Police, Office of State Fire Marshal, Maine Criminal Justice Academy, Bureau of Highway Safety, Emergency Medical Services, Maine Drug Enforcement Agency, Capitol Security, Gambling Control Unit, Emergency Communications, and Building Codes and Standards.

In FY15, the Maine Department of Public Safety General Fund budget is **$39,368,250**. Based on this budget, OPM provided the Department of Public Safety with a savings target of **$418,433.48** for FY15. The Department proposes to meet the target through savings in personal services from the management of vacant positions. This management improvement will provide a General Fund savings of **$461,373**, significantly exceeding their target.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Maine Department of Public Safety	**$39,368,250**	**$418,433.48**	**$461,373**	**$38,906,876**

22. Maine Public Colleges and Universities (UNV/TEB/MAT)

The University of Maine System, the Maine Community College System, and the Maine Maritime Academy represent the public higher education system in Maine. OPM did provide each with a savings target, which together totaled **$2,732,318.69** in FY15; **$2,043,599.78** for the University of Maine System, **$589,452.37** for the Maine Community College System, and **$90,166.53** for the Maine Maritime Academy.

In response, the institutions raised concerns that to meet the targets they would need to eliminate unspecified programs and increase tuition. Raising tuition should be a last recourse for these institutions.

To identify potential savings, we recommend the Public Colleges and Universities examine the following areas:

- ***Property Management***

The reduction of expenses associated with maintaining unneeded and underused properties are the types of measures that we believe could provide obtainable savings for the public colleges and universities. The landscape of higher education is being altered by new technologies that allow for a greater variety of educational techniques and demographics that produce declining enrollments for some institutions and growing demand for others.[10] These trends reflect a need to reimagine the needs of public institutions for traditional brick and mortar facilities.

Though OPM has not had an opportunity to study this issue in depth, we believe that Maine's public colleges and universities likely have excess and under-used property that can be

[10] For example, a recent article noted that "preliminary fall enrollment is off by almost three percent from a year ago." The article also highlighted the expected continuing decline in Maine high school graduates. From 2008 to 2020, it is estimated that there will be a decline from 14,000 to about 12,000 graduates. See Gallagher, Noel, In Maine, state university enrollment falls, Portland Press Herald, September 11, 2013. http://www.pressherald.com/news/state-university-enrollment-falls- 2013-09-11.html

disposed of or managed in a more cost-efficient manner. We recommend that the University of Maine System, the Maine Community College System, and the Maine Maritime Academy collaborate with each other to establish a framework to identify and dispose of unneeded properties and to establish policies to manage properties more efficiently.

- ***Technology***

The University of Maine System has been working to consolidate and centralize its own IT functions to achieve efficiencies and cost savings. As a potential next step, the public colleges and universities could work together to see if there are functions and services that they could share or pool together for greater buying power. Additionally, they should also meet with Maine's Office of Information Technology (OIT) to examine whether they could access or join in services that OIT offers, such as cyber security, privacy, technical expertise and contract design and management.

- ***Health Insurance***

The Public Colleges and Universities could review their employee health insurance programs to examine the potential costs and benefits of shifting to the Maine State Employee Health System. The Community Colleges and Maine Maritime Academy presently interact with Maine State Employee Health System.

- ***Programs***

If programs do need to be eliminated, a thorough review of existing programs and courses could provide guidance on whether the public colleges and universities' current offerings align to Maine's strengths and needs. This would reveal where possible cuts and program redesigns could be made.

To uphold the values of equal treatment of General Fund recipients in savings efforts such as Part F, OPM recommends that **$2,732,218.69** is removed from the FY15 General Fund appropriations to the public colleges and universities, and that they are encouraged to make the inquiries described above to find those savings. OPM would be pleased to assist them in examining their operations and budgets.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
University of Maine System	**$192,271,773.00**	**$2,043,599.78**	**$2,043,599.78**	**$190,228,174**
Maine Community College System	**$55,458,536.00**	**$589,452.37**	**$589,452.37**	**$54,869,084**
Maine Maritime Academy	**$8,483,304.00**	**$90,166.53**	**$90,166.53**	**$8,393,138**

b. Legislature (LEG)

On July 23, 2013, OPM sent an email to the Chairman of the Legislative Council explaining the task assigned to us by the Legislature in the biennial budget and inviting their voluntary participation in producing savings in solidarity with the other elements of the government. In it, we included a prorated savings target for the Legislature of **$299,093** in FY15, achievable administratively or through legislative action. Having heard nothing from the Legislative Council, OPM sent a hard-copy reminder letter to the Chairman of the Legislative Council on August 23, 2013.

The Legislative Council has approached OPM to discuss the Legislature's contribution to the Part F savings initiative. While the Legislature has not yet volunteered to participate, the Legislative Council will meet on October 30, 2013, and may take up the issue. Participation in this Part F savings initiative by the Legislature and the Governor's Office will be an important demonstration of solidarity with the other agencies of government that have met their savings targets.

c. Judiciary (JUD)

On July 23, 2013, OPM sent an email to the Judicial Branch offering them the opportunity to participate in the government-wide budget savings initiative described in Part F of the Biennial Budget. In that email, we explained that a prorated savings target for the Judicial budget would be **$545,049** in FY15, achievable administratively or through new legislation.

On August 5, 2013, the Administrative Office responded promptly on behalf of the Chief Justice. In their reply, they explained that the Judicial Branch is facing significant budgetary shortfalls in FY14, due primarily to the increasing costs of child protective cases, medical malpractice panels and unavoidable facilities costs. They did not believe that the Judiciary could meet the savings targets for FY14, but did anticipate some potential savings in FY15 from closure of the courthouse in Madawaska. There are no staff members who work in the Madawaska courthouse, and it is used very infrequently – at most two times per month for hearings. Furthermore, there is a much more active courthouse just a few miles away in Fort Kent. The Judicial Department estimates that General Fund savings in FY15 into the future will be **$38,000** annually. This is far short of the target, but it will produce some savings and is a "good government" measure. OPM recommends that the Madawaska courthouse is closed and that **$38,000** in General Fund savings is taken in FY15.[11]

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Judicial Branch	**$ 52,809,216.00**	**$ 544,948.92**	**$38,000**	**$52,771,216.00**

[11] Closing the Madawaska courthouse was an "Issue[s] Warranting Additional Consideration" in the Summary Report of the Productivity Realization Task Force, June 1996.

d. Constitutional and Statutory Officers

1. Department of Audit (AUD)

The core duty of the Maine Department of Audit is to audit the financial statements of the State of Maine and the expenditures of federal programs. The Department is also the fiscal Administrator of the Unorganized Territory.

In FY15, the Department of Audit's General Fund budget is **$1,326,950**. Based on this budget, OPM provided the Department with a savings target of **$14,103.76** in FY15. The Department will meet the target through savings in personal services from the management of vacant positions. This initiative will achieve a General Fund savings of **$14,104**.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Department of Audit	**$1,304,123**	**$14,103.76**	**$14,104**	**$1,290,019**

2. Office of the Attorney General (ATT)

The Maine Attorney General is the State's chief legal officer. The Office represents the State and its agencies in litigation, provides legal advice to the State government, and enforces Maine criminal law.

In FY15, the Office of the Attorney General's General Fund budget is **$15,723,578**. Based on this budget, OPM provided the Office of the Attorney General with a savings target of **$167,121.26** in FY15. The Attorney General will meet the target through savings in personal services from the management of vacant positions. This will provide a General Fund savings of **$167,121** in FY15.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Office of the Attorney General	**$15,723,578**	**$167,121.26**	**$167,121**	**$15,556,457**

3. Department of the Secretary of State (SEC)

The Department of the Secretary of State has diverse responsibilities, including safeguarding and preserving Maine's historical documents, supervising the conduct of state elections, and overseeing the licensing of motor vehicle operators.

In FY15, the Department of the Secretary of State's General Fund budget is **$3,685,841**. Based on this budget, OPM provided the Department with a savings target of **$39,175.71** in FY15. The Secretary of State declined to participate in the Legislature's Part F savings effort and offered zero potential savings.

One area in which the Secretary of State may be able to find savings is within its IT budget. The Secretary of State currently has its own IT staff, outside of the Office of Information Technology (OIT). OIT does provide some services to the Secretary of State. For example, OIT provides network connection, voice services, and Outlook e-mail, however, the Secretary of State administers the e-mail. The Secretary of State purchases its own computers, has its own small data center, and is responsible for its own applications systems and databases. We recommend the Secretary of State and OIT review redundant services to identify potential cost-savings.

Another way for the Secretary of State to produce the targeted savings is by eliminating the Special Advocate. The Special Advocate is appointed by the Secretary of State and is tasked to serve as an independent voice for small business owners in Maine and to advocate for a businesses aggrieved by agency enforcement action. A small business owner who has a grievance with one or more specific regulatory agencies may contact the Special Advocate to voice their concerns and request involvement of the Special Advocate.

There has been extremely low participation by small business owners in this offered service. We are aware of no evidence that the Special Advocate has been effective at cutting regulatory red tape for small business owners, or has successfully intervened in enforcement actions on behalf of small businesses. In fact, the Special Advocate's involvement has the potential to delay a business's access to the appeal process in an enforcement action, and the Special Advocate could be compelled to testify against a small business in any subsequent court hearing.

Currently, the DECD has a program that offers a similar service through a team of Account Executives. The team offers these services through the internet, telephone, or in-person consultations to provide expertise, direction, and access to requested information, by coordinating with other State agencies through their Business Assistance Liaisons. A "Red Tape Hotline" exists that can put a small business owner through to experienced professionals immediately.

DECD also offers the Business Answers Program, a resource for managers and owners of existing companies and entrepreneurs interested in starting a new business in Maine. The Business Answers Program provides information about federal and state program requirements and business services available at local and regional levels. The program also maintains a network of experienced individuals outside of state government to whom to direct a constituent if the question requires additional attention.

Ultimately, the DECD programs are more efficient and effective at achieving the goal of enhancing Maine's small business climate. OPM recommends eliminating the Special Advocate position, and expects a General Fund savings of **$40,609**, and a Highway Fund savings of **$40,609**.

Boards and Commissions

Even though the savings will be negligible, OPM has initiated a study of Maine's Boards and Commissions. The Secretary of State is responsible for a number of record-keeping and reporting functions for boards and commissions. Boards and commissions can provide a variety of tasks in government, such as advising agencies on current issues. They also can inject transparency and public access to a sometimes opaque government process. Over time, however, a board's mission may lose its significance or the board's activities may cease. When this happens there is no reason to keep these boards and commissions on the book.

During our work for Part F, we identified some boards and commission that are inactive and recommend their elimination. It is important to note that eliminating a board or commission neither legally bars the Maine government from soliciting the advice of experts nor is it commentary on the importance of the issue for which the board was established.

Based on our review, we recommend the following inactive boards and commissions are considered for elimination:

- Advisory Committee to the Public Advocate
- Coastal Advisory Committee
- Commission on the University of Maine
- Commission to Study Workers' Compensation Insurance
- Governmental Metric Policies Committee
- Governor's Advisory Committee on Maine-Canadian Affairs
- Governor's Advisory Committee on World Trade
- Governor's Management Task Force
- Governor's Task Force on High Level Nuclear Waste

- Maine Science and Technology Board
- Maine Council on Vocational Education
- Governor's Municipal Advisory Council
- Advisory Board of the Maine Learning Technology Fund
- State Sentencing on Corrections Practice Coordination Council
- Governor's Committee on Employment of People with Disabilities
- Task Force on the Maine School of Visual and Performing Arts
- Advisory Committee on Radiation

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Department of the Secretary of State	**$3,685,841**	**$39,175.71**	**$40,609**	**$3,645,232**

4. Office of the Treasurer (TRE)

The Treasurer's Office is responsible for debt management, cash management, trust fund administration and unclaimed property administration for the State. The Treasurer also is a voting member on many of Maine's quasi-governmental debt issuing agencies and is responsible for distributions under the Municipal Revenue Sharing Program.

In FY15, the Office of the Treasurer's General Fund budget is **$1,888,526**. Based on this budget, OPM provided the Office with a General Fund savings target of **$20,072.58** in FY15. The Treasurer will meet this target through savings achieved through lower cost banking services.

Department	FY15 GF Budget	FY15 Target	FY15 Actual Savings	New GF FY15 Budget
Office of the Treasurer	**$1,888,526**	**$20,072.58**	**$20,073**	**$1,886,453**

V. Review of Positions

In Part F, the Legislature asked the Office of Policy and Management, the Department of Administrative and Financial Services, and the Bureau of the Budget to undertake a review of vacant and filled positions within executive branch departments and agencies regardless of the funding source of those positions. The review must identify up to one hundred positions for possible elimination and provide a complete list of vacancies no more than one week old. The complete list of vacancies can be found in Appendix B of this report, sorted by department and date of vacancy.

The list of positions contained in this section of the report are associated with some of the initiatives found in this report at part IV section A, *FY15 Executive Department and Agency Savings*, section D, *FY15 Constitutional Officer Savings*, or are recommendations made by OPM, based on department, position, and time vacant. Departments with position eliminations integral to filling the $33,750,000 General Fund savings requirement created in Part F, can be seen in Figure 1 with the associated total dollar savings.

With respect to position recommendations not associated with dollar amounts, these were developed by OPM in reviewing the vacancy list and working with the Bureau of the Budget and DAFS to determine whether a position that is identified on the list should be recommended for elimination. These appear without dollar savings listed because they are recommended regardless of funding source. It is important to note that not every position listed within a department is responsible for the savings associated with that department on the chart.

Position Elimination Recommendations

Department	Positions Eliminated	Part F Value
Department of Administrative and Financial Services	10	$607,280
Department of Agriculture, Conservation, and Forestry	3	
Department of Corrections	15.5	$389,270
Department of Economic and Community Development	1	
Department of Education	2	
Department of Environmental Protection	0.5	
Maine Historic Preservation Commission	1	
Department of Health and Human Services	38	$1,656,225
Department of Labor	3	
Maine State Legislature	6.5	
Department of Marine Resources	1	$63,887
Department of Professional and Financial Regulation	2	
Department of Public Safety	3	$87,771
Maine Secretary of State	1	
Department of Transportation	6.5	
Workers Compensation Board	0.5	
Total Positions Eliminated	**95**	
Total Value of Positions Eliminated		**$2,804,433**

Figure 1

Of the **95** positions listed in Figure 1, fifty-four positions, fewer than ten of which are currently filled, are associated with Part F General Fund savings for a total of **$2,804,433**. Of the remaining positions, all are vacant, all have been vacant for at least four years. Given the total savings and amount of time these positions have been vacant, OPM recommends these positions be eliminated.

VI. Conclusions

In fulfillment of its tasking, OPM has identified **$11,255,673** in administrative savings for FY14 and **$24,276,592** in potential savings for FY15, achievable administratively and through legislative action. OPM has also identified 97 governmental positions for possible elimination. This report includes details about the potential savings and possible position eliminations, as well as a list of vacant positions as of September 23, 2013.