

**Summary of OPEGA Review of Reports Submitted by
Quasi-independent State Entities – February 1, 2013
Pursuant to 5 MRSA §12023-1**

Twenty-four entities were required to report on the adoption and implementation status of written policies and procedures required by §12022 on procurement practices and expenditures for contributions and travel, meals and entertainment. The report was also to include a description of the measures the governing body intended to use to monitor the entities' compliance with these policies and procedures.

One entity – Maine Municipal and Rural Electrification Cooperative Agency - submitted a letter noting that it receives no State funding and has not been active in past years. It committed to establishing such policies should the entity become active.

Of the 23 remaining reporting entities:

Procurement Policy

- 22 reported they had adopted formal policies with 11 of them providing a copy of the policy. Of these 22, sixteen reported they had already implemented the policy and the remainder said they would be implementing the policy.
- The one entity that did not appear to have adopted a formal policy reported that it intended to utilize the RFP template from the Division of Purchases. The entity did not provide any information about the status of implementing that plan.

Contributions Policy

- 20 reported they had adopted formal policies with 10 of them providing a copy of the policy. Of these 20, fifteen reported they had already implemented the policy and the remainder said they would be implementing the policy.
- The other three entities referenced informal policy on contributions existing at the entity. One of these indicated it would be implementing the informal policy and the other two entities provided no information about implementation status.

Travel, Meals and Entertainment Policy

- 23 entities reported they had adopted formal policies with 12 of them providing a copy of the policy. Of these 23, sixteen reported they had already implemented the policy, six reported they would be implementing the policy and one did not provide any information on the status of implementation.

Monitoring Mechanisms

- 18 entities provided the required descriptions of mechanisms that would be used by the governing bodies to monitor compliance with policies and procedures. The other five entities did not include this information in their reports.

- Of the 18 entities who described their monitoring mechanisms, we noted that five appeared to have a more robust combination of mechanisms and four appeared relatively weak based on the descriptions provided. The others were somewhere in between.
- Most all of the 18 entities described the governing bodies' review and approval of budgets and budget variance reports as well as annual financial audits by external auditors as primary compliance monitoring mechanisms.

Overall

- 18 of the entities' reports included all the information required by 5 MRSA §12023-1, though it was reported in various degrees of specificity. All but one of these also appeared to have adopted all of the formal policies required by §12022 and had implemented, or would be implementing, those policies. The one appeared to have only an informal policy with regard to contributions.
- Three of the other entities either did not provide the required information about the governing bodies' compliance monitoring mechanisms, but did appear to have adopted and had implemented, or were implementing, the formal policies required by §12022.
- The remaining two entities did not report the required information about the governing bodies' compliance monitoring mechanisms and also did not report implementation status for each of the required policies. It appeared these two entities also had not adopted all of the formal policies required by §12022, although they referred to informal policies that were in place.
- OPEGA will follow up with those entities that did not report all the required information and/or do not appear to have adopted all the formal policies required by §12022 (a total of six entities).
- Additional work would be needed if there is a desire for OPEGA to assess the adopted policies for adequacy and compliance with statute, as well as assess the strength of the governing bodies' compliance monitoring mechanisms.