



SEN. ELIZABETH H. MITCHELL, CHAIR
REP. MARILYN E. CANAVAN, CHAIR

MEMBERS:

SEN. PHILIP L. BARTLETT, II
SEN. JONATHAN T.E. COURTNEY
SEN. DANA L. DOW
SEN. JOSEPH C. PERRY
SEN. KEVIN L. RAYE
REP. ANDREA M. BOLAND
REP. SCOTT E. LANSLEY
REP. EVERETT W. MCLEOD, SR.
REP. PEGGY A. PENDLETON
REP. MICHAEL A. VAUGHAN

MAINE STATE LEGISLATURE
GOVERNMENT OVERSIGHT COMMITTEE

MEETING SUMMARY
MAY 28, 2008

CALL TO ORDER

The Chair, Senator Mitchell, called the Government Oversight Committee to order at 10:08 a.m. in the Burton Cross Building.

ATTENDANCE

Senators:	Sen. Mitchell, Sen. Raye, Sen. Dow, and Sen. Courtney Joining the meeting in progress: Sen. Perry Absent: Sen. Bartlett
Representatives:	Rep. Pendleton, Rep. Boland, and Rep. McLeod Joining the meeting in progress: Rep. Canavan, Rep. Lansley, and Rep. Vaughan
Legislative Officers and Staff:	Beth Ashcroft, Director of OPEGA Jennifer Reichenbach, Sr. Analyst, OPEGA Wendy Cherubini, Analyst, OPEGA Scott Farwell, Analyst, OPEGA Etta Begin, Adm. Secretary, OPEGA
Executive Branch Officers and Staff:	Paul Brunetti, Assistant to the Commissioner, DECD

INTRODUCTION OF GOVERNMENT OVERSIGHT COMMITTEE MEMBERS

Members of the Government Oversight Committee introduced themselves for the benefit of the listening audience.

PRESENTATION OF FINAL REPORT

• State Administration Staffing

At the request of the Chair, Director Ashcroft reviewed the procedure for presentation of an OPEGA final report.

Director Ashcroft recognized Wendy Cherubini, the lead Analyst on the Report, and Scott Farwell and Mary Gingrow-Shaw, who assisted on the State Administration Staffing Report.

Director Ashcroft thanked the Department of Administration and Financial Services' staff and all the other State agencies contacted in gathering information for the Report.

Following the report presentation, discussion ensued in the following areas:

- Whether OPEGA had received all current State salary information;
- How State Departments have money for reclassifications;
- How are the position counts calculated;
- Whether OPEGA had information on how many of the total number of positions listed are vacant;
- Whether OPEGA had learned during the study how much has been done to privatize positions;
- That the GOC consider asking the Governor to request standardized organizational charts for all State departments and agencies and that organizational charts be made mandatory.

A public comment period will be held on the State Administration Staffing Report at the next GOC meeting.

The Committee thanked Director Ashcroft and OPEGA staff for their work on the Report.

UNFINISHED BUSINESS

• Committee Vote on OPEGA Final Report for State Boards, Committees, Commissions, and Councils

- Committee Work Session

Director Ashcroft reminded the GOC members that the public comment period for the Final Report for State Boards, Committees, Commissions and Councils was held at the March 31, 2008 GOC meeting. She referred the Committee to the Meeting Summary for the 31st and all written comments received by OPEGA that were included in their notebooks.

Committee discussion included:

- the Joint Standing Committee on State and Local Government looked at the boards that were suggested for consolidation and asked that more information be provided describing the boards and commissions;
- an option for GOC is to refer the Report to the State and Local Government Committee asking it to take actions it deems appropriate;
- the lack of information provided to the Secretary of State's Office; and
- the State and Local Government Committee had discussed changes to Title 5 that would implement some of the recommendations contained in the Report.

- Committee Vote

Motion: That the Government Oversight Committee endorses OPEGA's Final Report on State Boards, Committees, Commissions, and Councils and that copies of the Report be provided to members of the Joint Standing Committee on State and Local Government. (Motion by Rep. Pendleton, second by Rep. Boland, PASSED, 11-0).

- **Follow Up on Open Findings From OPEGA Reports**

- **Economic Development Programs in Maine**

Director Ashcroft said that State agencies attend a GOC meeting to give the members a briefing on what actions have been taken on reports issued by OPEGA. She introduced Paul Brunetti, Assistant to the Commissioner of DECD.

Mr. Brunetti thanked Director Ashcroft, OPEGA staff and the Joint Standing Committees on Business, Research and Economic Development and Appropriations and Financial Affairs in helping DECD move forward with recommended actions in the Report.

Mr. Brunetti reported on DECD's evaluation of Maine economic development incentives. The report included:

Public Law 2007, Chapter 434 Requirements:

- Develop and submit to the Governor and Legislature a plan for the comprehensive evaluation of state investments in economic development.
- Develop a proposal to amend the statutory definition of "economic development incentive".
- Work with Maine Development Foundation (MDF) to develop a portfolio of all existing economic development activities that fit the state's criteria.

Evaluation Plan

- Defines "economic development incentives".
- Identifies all programs that fit the definition.
- Defines the outcomes and indicators of success.
- Describes data collection plan.
- Provides analysis methodology.
- Describes reporting and dissemination of results.
- Proposes statutory changes to implement plan and amend definition.

Economic Development Inventory

- MDF created an inventory and "map" based on: mutually agreed upon definition of "economic development incentives"; worked with all agencies involved to create master inventory and data about each program; and is the list DECD used in planning the evaluation.

Portfolio Coordinator

- DECD and MDF proposed a portfolio coordinator role to the BRED Committee.
- The role is within DECD's existing statutory authority.

Vision of Economic Development Operations

- Systems approach to accountability.
- Seamless, efficient and effective statewide delivery system of business and community assistance.

Annual Report on Pine Tree Zones

- Statute calls for a biannual report and the next report was to be done by April 1, 2008.

Mr. Brunetti said DECD's next steps include:

- On May 30, 2008 DECD will send out an RFP for evaluation and survey work and is hoping to have a live on-line survey by September or October, 2008. It is optimistic to get the data collected and processed and report to the Legislature by March, 2009 and each February thereafter.
- the BRED Committee needs to approve statutory language changes, including definition of "economic development incentive".

The GOC thanked Mr. Brunetti for the information provided and looked forward to continued updates.

NEW BUSINESS

• **Planned OPEGA Special Projects Resulting From Recent Legislation**

Director Ashcroft referred members to Public Law, Chapter 701 in their notebooks that contained language regarding OPEGA. The law requires OPEGA to work with OFPR, OPLA, State Controller and State Auditor to facilitate the sharing of resources and coordination of program review across State Government in order to maintain and strengthen program evaluation functions. OPEGA coordinates to some degree with the offices listed above with every project undertaken. Director Ashcroft said she was looking to the GOC for what level of effort they believed this should be undertaken to satisfy the language in the Public Law.

Sen. Raye asked for Director Ashcroft's thoughts. She said it may be to the GOC and OPEGA's benefit if the offices were called upon for their input when OPEGA's work plan is being developed. She has not talked with other Directors yet, and would have to do that, but also thought each office could try to use each others staff. There are particular kinds of information that OPEGA puts together for most reviews, could be financial or related to legislative history. Another idea would be to have an organization, such as NCSL, look at OPEGA, how the Legislature is trying to accomplish its oversight, what are the pieces feeding that and would they have recommendations to do it better.

Rep. McLeod said each situation would dictate to what depth the contact with other offices or departments would be necessary and does not believe OPEGA could always follow the same format. Director Ashcroft agreed and said the amount of information needed from any of these entities would be predicated on what was trying to be accomplished in the review. Because it may be a resource commitment on OPEGA staff to do a robust evaluation of the situation, she did want to get the GOC's input.

Sen. Raye said he liked the idea of involving the other offices when the GOC is developing OPEGA's work plan.

Rep. Boland also agreed with involving other offices when developing the work plan. She asked if the other entities shared information fully and freely and the Director Ashcroft said she believes they do.

Chair Mitchell suggested that this item be included on the next meeting agenda in order to give members an opportunity to think about it.

• **Quarterly Review of Requests Received for OPEGA Audits**

Director Ashcroft reviewed the GOC procedure for requests received for OPEGA audits.

The audits requested and the GOC's action on each is listed below.

1. **Personal Use of State Vehicles Assigned to Game Wardens** (Department of Inland Fisheries and Wildlife)

Motion: That there be no further action at this time on the Personal Use of State Vehicles Assigned to Game Wardens. (Motion by Sen. Perry, seconded by Sen. Raye, PASSED, 11-0).

2. **Inmate Benefit Fund and Community Corrections Services** (Department of Corrections)

Motion: That the Inmate Benefit Fund and Community Corrections Services audit requests be considered by OPEGA when it is scoping the Adult Criminal Justice topic currently on OPEGA's work plan. (Motion by Sen. Perry, seconded by Sen. Raye, PASSED, 11-0).

3. **MDOT Operations and Maintenance** (Department of Transportation)

Tabled. (Vote: 11-0) OPEGA was asked to bring further information back to the next GOC meeting on the implementation status of recommendations from MDOT's 2004 report.

4. Fund for Efficient Delivery of Local and Regional Services (Department of Administrative and Financial Services and State Planning Office)

Motion: That the Fund for Efficient Delivery of Local and Regional Services audit request be considered by OPEGA when it is scoping the State-funded Grants topic currently on OPEGA's work plan. (Motion by Sen. Raye, seconded by Rep. Boland, PASSED, 11-0).

5. Maine Maritime Academy

Motion: That there be no further action at this time on the Maine Maritime Academy audit request. (Motion by Sen. Raye, seconded by Sen. Perry, PASSED, 11-0).

Director Ashcroft reported that OPEGA also received an audit request concerning local municipal governance issues in the Town of Van Buren. The issues were determined to be outside of OPEGA's purview and OPEGA informed the requestor that there were not any issues within its purview.

REPORT FROM OPEGA DIRECTOR

Status of Audits in Progress

Director Ashcroft gave a brief summary of the reviews in progress.

- **Contracting for Health and Social Services** is in the reporting phase. OPEGA is drafting the report and working with the agency to get it finalized and plans to have it ready for the Committee by the week of June 23, 2008.
- **Contracts for Professional Services** – wrapping up the fieldwork and moving into the reporting phase.
- **Real Estate and Public Buildings**
 - **Proposal to Limit Scope on Real Estate/Public Buildings Review**
Director Ashcroft said the initial background work has been done in the preliminary phase and have found the topic needs to be scoped down. Director Ashcroft proposed breaking it into two reviews, each of them scoped down to leases. On the Public Buildings it would be looking at leases for office space and on the Real Estate we would be looking at where the State is leasing property to others and the revenue coming in. OPEGA would be returning to the GOC with recommended project directions for approval.

Motion: That the Government Oversight Committee agrees with the proposal to break the Real Estate/Public Buildings Review into two reviews, each scoped down to leases. (Motion by Chair Canavan, seconded by Rep. Lansley, PASSED, 10-0).

Director Ashcroft asked if the GOC could, at its next meeting, discuss what is remaining on OPEGA's work plan. She would like guidance on prioritizing, and review to determine if the topics remaining should be taken off or new topics added. It was agreed that review of OPEGA's work plan will be added to the next Committee meeting agenda.

Director Ashcroft said the other item that the Committee needs to discuss is the potential changes to OPEGA Statute Regarding Confidentiality of Work Papers.

SCHEDULE NEXT COMMITTEE MEETING

To be scheduled.

ADJOURNMENT

The Government Oversight Committee meeting was adjourned at 12:35 p.m. (Motion by Sen. Perry, unanimous).