

MAINE STATE LEGISLATURE

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(EMERGENCY)

ONE HUNDRED AND FOURTH LEGISLATURE

Legislative Document

No. 235

S. P. 77

In Senate, January 21, 1969

Referred to Committee on Appropriations and Financial Affairs. Sent down for concurrence and ordered printed.

JERROLD B. SPEERS, Secretary

Presented by Senator Sewall of Penobscot.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-NINE

**AN ACT Appropriating Moneys for Essential Needs at the
University of Maine.**

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, certain obligations and expenses incident to the operation of the University of Maine will become due and payable immediately; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine, and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine, as follows:

University of Maine; appropriation. There is appropriated to the University of Maine from the Unappropriated Surplus of the General Fund the sum of \$332,550 for the fiscal year ending June 30, 1969 to carry out the purposes of this Act. The breakdown shall be as follows:

	1968-69
UNIVERSITY OF MAINE	
Fringe benefits not budgeted	\$115,487
Wage and hour law costs	19,620
Unbudgeted travel costs	9,965
Unbudgeted communications costs	4,500
Additional personnel (State Colleges)	10,500

Additional personnel (U. of M.)	18,000
Auditing, Supplies and Ins. not budgeted	32,000
Chancellor's office	122,478
Total	<hr/> \$332,550

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

STATEMENT OF FACTS

Fringe Benefits — \$115,487

Since unification, state college personnel have been given a choice of either remaining under the Maine State Retirement System or changing to the University of Maine Retirement System. In connection with those who chose the University system, the University is required to contribute to the retirement fund and to pay costs of group health and life insurance premiums which were previously paid for through other state agencies. In addition, it became necessary for the University to pay employer contributions for F.I.C.A. taxes, on those employees who changed, at the rate of 4.4% in 1968 and 4.8% in 1969 on the first \$7,800 of earnings. Since the costs were not budgeted for by the University it is necessary that funds be provided in order that they may be paid.

Wage and Hour Law — \$19,620

Upon unification, hourly employees of state colleges became subject to federal wage and hour laws whereas they had previously been governed by state laws. This resulted in the payment of overtime premium wages where none had been paid previously, or in the hiring of additional personnel in order to avoid the payment of premium wages. The budget as originally approved did not include this additional cost and it is therefor requested that funds be provided to offset same.

Travel and Communications — \$14,465

Upon unification it became necessary for state college personnel and university personnel to communicate with each other regarding administrative policies, preparation and review of biennial budgets and other common interests. This resulted in increased costs for travel and telephone expense which were not budgeted and for which funds are now requested.

New Personnel Added — \$10,500

The assignment of the Business Manager at Aroostook State College to the position of Co-finance Officer of the university system has resulted in the necessity to hire a person to perform a part of his duties at Aroostook State College. This was not budgeted and funds should be provided to cover this expense.

Additional Workload at U of M — \$50,000

Due to the increased workload in the accounting section to handle state college payrolls and payables, it was necessary to add three (3) new employees and to provide the necessary supplies in connection with the recording of same. In addition, liability and long-term disability insurance has been initiated on state colleges in order to bring them in line with the university program. Since these added costs were not budgeted, funds should be provided to offset them.

Chancellor's Office Budget — \$122,478

The budget approved for the Chancellor's Office was \$103,700. As of November 30, 1968, actual expenditures were \$37,372. The cost of a Chancellor, staff and secretaries, travel, moving allowance, consultants' fees, and other expenses involved is estimated at \$188,806 for the balance of the fiscal year. This results in additional funds totaling \$122,478 to adequately provide for the Chancellor's Office for the balance of the fiscal year.