

# MAINE STATE LEGISLATURE

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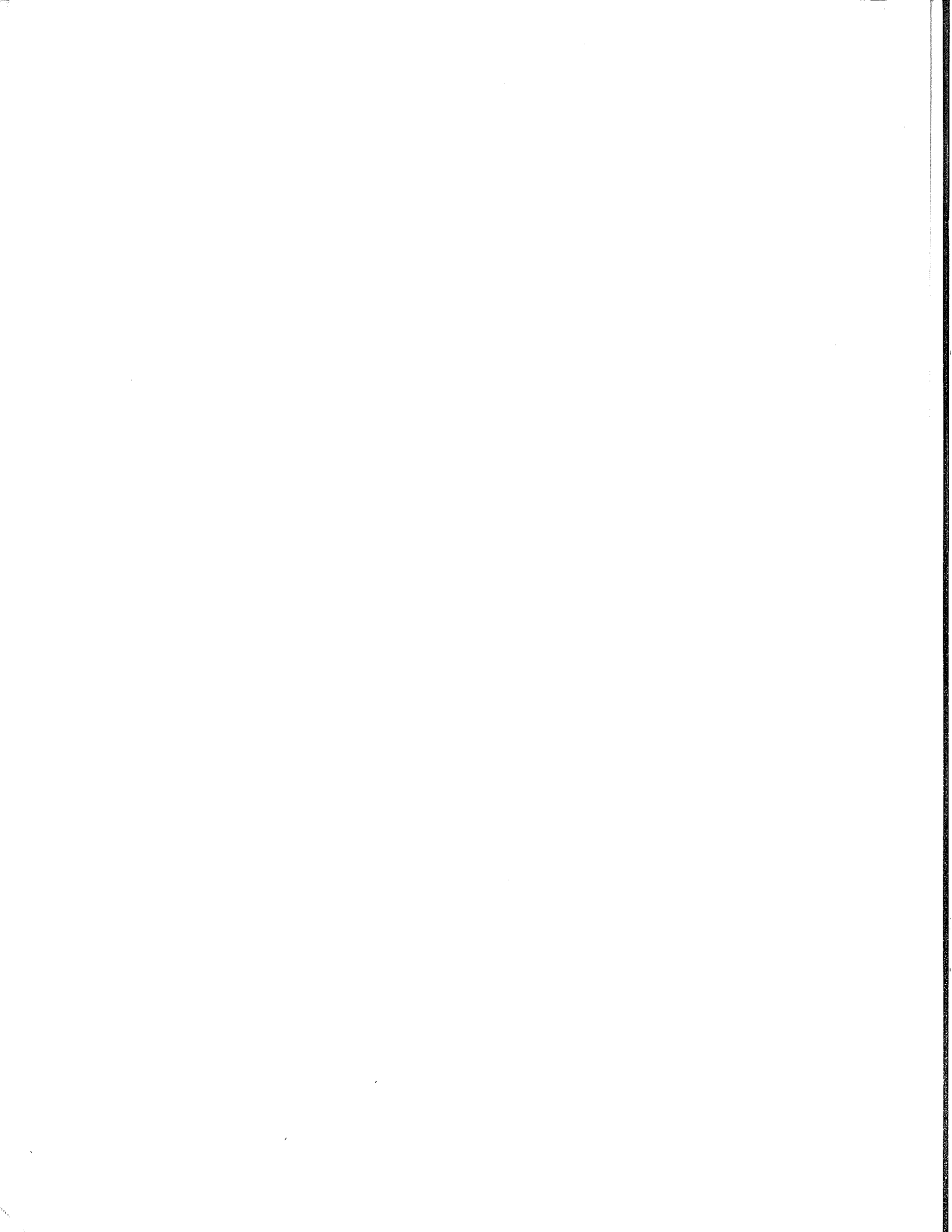
# Review of

MAINE MARITIME ACADEMY

## Joint Standing Committee on Audit and Program Review

1987 - 1988





SENATE

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RAYNOLD THERIAULT, DISTRICT 1  
MARY-ELLEN MAYBURY, DISTRICT 11

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OFFICE OF FISCAL AND PROGRAM REVIEW  
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STATE OF MAINE

ONE HUNDRED AND THIRTEENTH LEGISLATURE

COMMITTEE ON AUDIT AND PROGRAM REVIEW

March 1988

Members of the Legislative Council:

We are pleased to transmit the Committee's 1987-1988 report to you in four volumes. The report includes statutory and administrative recommendations and findings on the:

- + Board of Trustees of the University of Maine System;
- + State Government Internship Program Advisory Committee;
- + Advisory Committee on Maine Public Broadcasting;
- + Board of Trustees of the Maine Maritime Academy;
- + Maine Conservation School;
- + DEP - Underground Petroleum Storage Tanks;
- + DOT - Eminent Domain/Sale of Surplus Property;
- + Alcohol and Drug Abuse Planning Committee;
- + Board of Commissioners of the Profession of Pharmacy;
- + Board of Examiners of Psychologists;
- + Maine Occupational Information Coordinating Committee;
- + Arborist Examining Board;
- + Electricians' Examining Board;
- + State Board of Social Worker Licensure; and
- + Maine Uniform Accounting and Auditing Practices Act.

In addition to the diligent work of the Committee members, we would like to particularly thank the adjunct members who served on our subcommittees from other Joint Standing Committees; their expertise enriched and strengthened the review process.

The Committee's recommendations will serve to improve state agency performance and efficiency by increasing management and fiscal accountability, resolving complex issues, clarifying Legislative intent, and increasing Legislative oversight. We urge the full Legislature to consider our proposals carefully and we invite questions, comments, and input regarding any part of this report.

Sincerely,

Beverly M. Bustin  
Senate Chair

Neil Rolde  
House Chair



# **Committee Organization**

## **AUDIT & PROGRAM REVIEW SUBCOMMITTEE #1**

### **Members:**

## **MAINE MARITIME ACADEMY**

**Senator Mary Ellen Maybury, Chair**  
**Senator Beverly M. Bustin**  
**Senator Raynold Theriault**  
**Representative Neil Rolde**  
**Representative Ruth Joseph**  
**Representative Phyllis Erwin**  
**Representative Norman O. Racine**  
**Representative Ada K. Brown**  
**Representative Harriet A. Ketover**  
**Representative John C. Bott**  
**Representative Wesley Farnum**  
**Representative Beverly C. Daggett**

### **Adjunct Members:**

**Representative Stephen M. Bost**  
Joint Standing Committee on  
Education  
**Representative James Handy**  
Joint Standing Committee on  
Education  
**Representative Gregory G. Nadeau**  
Joint Standing Committee on  
Appropriations and Financial  
Affairs



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## THE COMMITTEE PROCESS

The Joint Standing Committee on Audit & Program Review was created in 1977 to administer Maine's Sunset Act which "requires the Legislature to evaluate the need for and performance of present and future departments and agencies on a periodic basis." (3 MRSA Ch. 23) To carry out its mandate, the overriding goal of the Audit Committee is to increase governmental efficiency by recommending improvements in agency management, organization, program delivery, and fiscal accountability.

The Committee process unfolds in five distinct phases, which can be briefly described as follows:

### **PHASE ONE: RECEIPT OF PROGRAM REPORTS**

The law requires that agencies due for review must submit a Program Report to the Committee in the year prior to review. The Program, or Justification, Report prepared by the agency provides baseline data used to orient staff and Committee to the agency's programs and finances.

### **PHASE TWO: REVIEW BEGINS**

At the start of each review, the Committee Chairs divide the full Committee into subcommittees, appoint subcommittee chairs and assign each subcommittee responsibility for a portion of the total review. Each subcommittee is augmented by at least one member from the committee of jurisdiction in the Legislature; i.e. the subcommittee reviewing the administration and management of the University of Maine System will include a member of the Education Committee.

### **PHASE THREE: SUBCOMMITTEE MEETINGS**

The subcommittees created by the Committee meet frequently when the Legislature is in session and every three to four weeks between the sessions to discuss issues regarding the agency and make recommendations for change. Staff will prepare material for the subcommittee's deliberation and present it to the subcommittee in one of several forms; as an option paper, discussion paper, or information paper. The Committee has found that these formats facilitate its process by cogently and objectively describing the topic for discussion and the points necessary for expeditious decision-making. These subcommittee meetings are not formal hearings but are open to the public and are usually well attended by interested parties. The subcommittees conduct their business in an open manner, inviting comment and providing a forum for all views to be heard and aired.



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#### **PHASE FOUR: FULL COMMITTEE MEETINGS**

The full Audit and Program Review Committee considers the recommendations made by each subcommittee. These meetings are another opportunity for the public to express its views.

#### **PHASE FIVE: THE LEGISLATURE**

Following the full Committee's acceptance of subcommittee recommendations, Committee staff prepare a text and draft a bill containing all the Committee's recommendations for change. The Committee introduces its bill into the Legislative session in progress and the bill is then referred to the Audit and Program Review Committee. As a final avenue for public comment prior to reaching the floor, the Committee holds public hearings and worksessions on all its recommendations. After the Committee concludes deliberations and amendments, the bill is reprinted and placed on the agenda for consideration by the entire Legislature.

# Summary of Recommendations

The Committee categorizes its changes into Statutory and Administrative Recommendations. The Committee's bill consists of the Statutory Recommendations. Administrative recommendations are implemented by the Agencies under review without statutory changes. In some instances, the Committee includes a finding which requires no further action but which highlights a particular situation. Recommendations include, where possible, the proposed change and the reason for this change. For more specific detail, refer to the narrative of the recommendations.

## CATEGORY

## RECOMMENDATION

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STATUTORY

1.

Continue state support of the Maine Maritime Academy under the provisions of the Maine Sunset Law.

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FINDING

2.

The Committee finds that the Maine Maritime Academy has undergone dramatic changes under the able leadership of President Kenneth Curtis which has enhanced the Academy's ability to continue to provide an important and integral component of higher education in Maine.

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CATEGORY

RECOMMENDATION

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FINDING

3.

The Committee finds that the Maine Maritime Academy provides a unique contribution to Maine's post-secondary education system and should be recognized as an invaluable and integral component of this system.

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FINDING

4.

The Committee finds that Maine Maritime Academy's salaries should be reviewed for current parity within Maine's higher education system and that a system should be established to ensure that MMA's needs are considered in conjunction with the needs of the University system and the state Vocational Technical Institutes.

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ADMINISTRATIVE

5.

The Maine Maritime Academy should conduct an employee reclassification study.

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STATUTORY

6.

Include Maine Maritime Academy as an eligible participant in the state's group health insurance plan.

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CATEGORY

RECOMMENDATION

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FINDING

7.

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The Committee finds that adequate docking facilities are crucial to the Academy's ability to provide the unique education which distinguishes Academy graduates within Maine's industries and which allow it to fulfill its unique educational mandate in Maine.

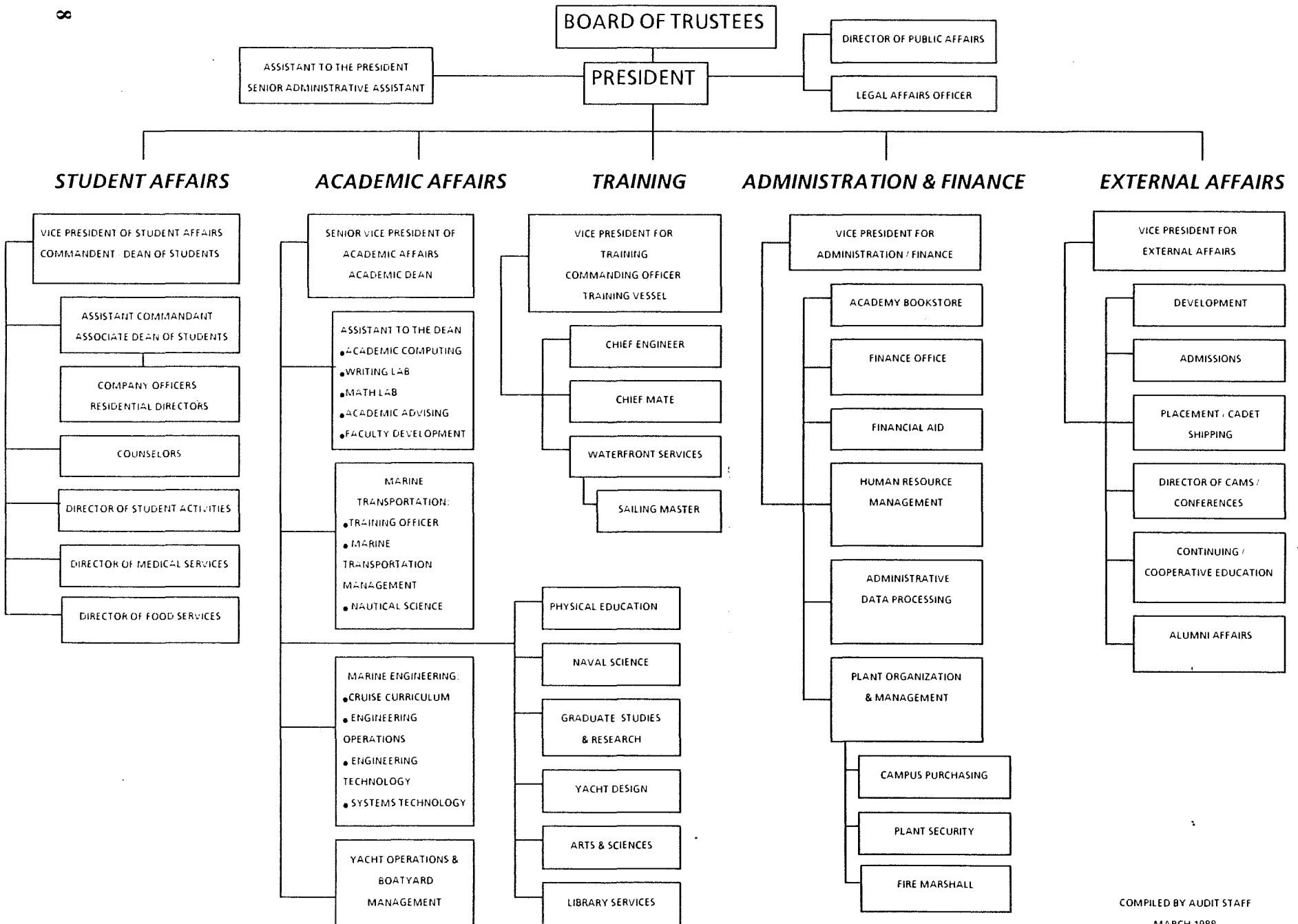
The Committee further recognizes the innovative efforts of Maine Maritime Academy in mitigating the cost of the dock project through the solicitation of federal surplus materials and assistance.

Furthermore, the Committee recognizes the commitment of Major General Parks, Adjutant General of the Maine Department of Defense, in assisting the Maine Maritime Academy to mitigate the costs of these repairs.

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# ORGANIZATIONAL STRUCTURE : MAINE MARITIME ACADEMY

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## MAINE MARITIME ACADEMY

### INTRODUCTION

The Maine Maritime Academy (MMA) is a state college specializing in ocean and marine-related education programs at the undergraduate and graduate degree level. Program emphasis is on engineering, nautical science, maritime transportation and shipyard management. The education program is a 3-tiered program comprised of classroom theory, technical application, and a regimentally-structured learning environment.

The Academy was established by the Maine Legislature in 1941 in an effort to help train deck officers and engineers for the burgeoning U.S. Merchant Marine. The Maine Maritime Academy is one of 6 maritime academies established nation-wide for this purpose.

The "State of Maine," a 500 foot, 13,000 ton training ship, owned by the federal Maritime Administration in the Department of Transportation is loaned to the Academy. This ship is used for practical application of classroom theory pertaining to the management, maintenance and repair of the electrical and mechanical systems used by steam-driven, deep-water vessels. The Academy receives financial assistance from the federal government to offset major maintenance and fueling costs associated with this ship.

Further, as a state maritime academy, the MMA is obligated to provide a Naval Science educational track. The Naval Science Department provides 2 mandatory courses to all 4 year students - civilian and military. These courses are taught by Navy personnel in MMA classrooms.

In addition, MMA is one of 62 state schools which offers a U.S. Navy Reserved Officers Training Corps (NROTC) program.

Graduates of the Maine Maritime Academy are recognized throughout Maine's shipping, shipbuilding and paper industries as experienced engineers. In addition, all graduates are qualified upon graduation to sit for the U.S. Merchant Marine licensing exams or to enter the U.S. Coast Guard or Navy as 3rd mate officers.

### ORGANIZATION

The Maine Maritime Academy was legislatively created in 1941 as a "body corporate and politic, having the same rights, privileges, and powers as have corporations organized under the general law." (Private and Special Laws 1941, Ch. 37)

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In 1947, the Legislature designated the Maine Maritime Academy a public agency although the Academy's Board of Trustees retained legal authority over the institution's property and assets, and ultimate and general authority over Academy affairs. Specifically, the Legislature vested the Board of Trustees with the responsibility to:

"provide and maintain a nautical school for the instruction of students in the science and practice of navigation and in practical seamanship, steam, diesel, and electrical engineering, radio and radio communication, and of ship operation, ship construction, and ship and boat design..."

The 12 member Board of Trustees is appointed by the Governor and plays an important role in directing the philosophical and administrative agendas of the Academy. The Board of Trustees has recently undertaken an extensive planning program to identify the institution's strengths and weaknesses and to develop a long-term strategy for improving the Academy's educational services.

The Board has targeted several specific areas in its long-term planning program. These areas include:

- broadening the educational programs to effectively use the ocean as an available educational resource;
- defining the applicability of the current social structure to non-traditional Academy students; and
- strengthening the Academy's fund-raising efforts to increase its self-reliance as a public institution.

The Maine Maritime Academy has five major administrative divisions which are as follows:

- Academic Division
- Training Division
- Student Affairs Division
- Finance and Administration
- External Affairs Division.

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The first 3 divisions, Academic, Training and Student Affairs work together to provide every student with a 3-tiered educational program. This program incorporates classroom nautical science and electrical engineering theory as it relates to ocean vessels; hands-on applied engineering education acquired during 3 required ocean-going operations; and a structured social schedule which includes the use of school uniforms, 2 student government bodies, including a regiment and a student life council, and a non-classroom education in self-discipline, social skills, leadership and management training.

The administrative divisions of the Academy, Finance and Administration and External Affairs, manage the Academy's operational and external activities and facilitate the college in operating efficiently.

In addition to the 5 administrative divisions, the Academy has 3 officers who report directly to the President. These include the Assistant to the President, The Legal Officer and the Director of Public Affairs.

#### **The Academic Division**

The Academic Division is managed by the Academic Dean and is responsible for curriculum development, academic policy, faculty governance, faculty evaluation, faculty recruitment and faculty development. The Academic division consists of the following Departments:

- Marine Transportation,
- Marine Engineering,
- Yacht Operations and Boatyard Management,
- Yacht Design Institutes
- Arts & Sciences,
- Naval Science,
- Physical Education,
- Library, and
- Graduate Studies.

The Academic Division also provides academic service programs, including a writing laboratory, computer laboratory, tutorial programs, and study skills programs.



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The Maine Maritime Academy offers several different degree programs, all related to maritime, or ocean-related educations. These programs include the traditional Bachelor of Science degree for students interested in engineering, transportation or management as it relates to:

- military maritime service;
- civilian maritime employment; and
- employment in industries which use nuclear power, diesel, gas or steam turbine engines (paper industry, ship building industry, energy industry).

In addition to the traditional 4 year degree program, the Academy also offers the following types of maritime-related programs:

- an Associate Degree in yacht operations and boatyard management or yacht design;
- a Master of Science Degree in Maritime Management; and
- continuing education programs for professionals in the maritime industry.

Student enrollment in degree-granting programs as of January 11, 1988 included 466 students. Three hundred ninety-six students were enrolled in the Bachelor of Science degree program, 13 in the Associate degree programs and 57 in the Master of Science degree program.

Of the undergraduate students, 246 students were from Maine, 97 students were from outside of Maine, 54 students were from the New England regional area and 12 students were from outside of the United States.

Total enrollment in the Academy's degree programs during FY 1987 were as follows:

Bachelor of Science:	<u>396</u>
Females	12
Males	384
Associate in Yacht	<u>13</u>
Operations/Boatyard Mgmt.	
Females	2
Males	11

Master of Science in Maritime Mgmt.	<u>57</u>
Females	5
Males	52

### The Training Division

The Training Division administers the practical training program for MMA students. This component includes

- pre-cruise ship orientation for freshmen;
- annual training cruises on the Academy's training ship for freshman and senior classes;
- maintenance and management of the federal training ship as a laboratory; and
- management of the students' summer ship maintenance program.

The head of the Training Division is Captain of the STATE OF MAINE and is also responsible for supervising all waterfront operations.

Maine Maritime Academy is noted by the industries for its practical training component. In particular, each candidate for the Bachelor of Science degree is required to have 3 shipping experiences prior to graduation. Summer cruises following year 1 and year 3 are on board the T.V. STATE OF MAINE. Following year 2 of classes, students are hired by commercial vessels for a summer in the cadet shipping program.

Students training for an Associates Degree receive their hands-on training in a 5 week cooperative experience. This cooperative education is in addition to the 5 week practical training in the Academy's boatyard and waterfront facilities.

The Training Division is also responsible for overseeing the school's waterfront operations. This responsibility includes the docking and maintenance of 60 small boats, a barge and a tugboat. In addition, the T.V. State of Maine and the state's research vessel, the CAYUSE, are maintained in these waterfront facilities.

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### The Student Affairs Division

The Student Affairs division is responsible for the third part of the students' education. This division manages the social organization of the student body and the Academy's ancillary student services.

The student social structure is designed to incorporate on-going leadership and management training during the non-classroom hours. For the 4 year student, the Academy has a student government which is based on the hierarchy of power used at sea. It includes a Regiment of Midshipmen who are responsible for oversight of the student body, including duty assignments, and student discipline. In addition, students who are not part of the 4 year degree program gain leadership and management training from participation in the Student Life Council, the food service committees and other organized activities. The Student Division provides a managed social environment that introduces students to different social issues, continuing the students' learning experience after the class day is completed.

In addition, the Board of Trustees is currently reviewing this social training component to clarify its applicability in the Academy's non-traditional educational programs.

The Student Affairs division also administers services which the students participate in operationally, and as management lessons, including counseling services, residential services, student activities, medical services, and food services. The Commandant of Midshipmen acts as head of the Student Affairs Division.

### The Finance and Administration Division

The Finance and Administration division is managed by the Chief Finance and Administrative Officer who coordinates administrative matters for the Academy. The finance officer facilitates the management and submission of the individual department budgets. In addition, this division manages the Academy's administrative offices, including the institution's human resource office, physical plant management; purchasing and security systems; data processing operations; and, liaison with state and federal agencies.

The Academy employs 130 full-time staff and 33 part-time staff in the following positions:

President's staff:	11
Student Affairs Div.	8

Academic Division (38 faculty:7 support staff)	45
Library	8
Training Division	18
External Affairs	4
Administration, Public works, food service:	69

The Maine Maritime Academy receives funds from public and private sources. In FY 1987, the following amounts were derived from the following sources:

	<u>FY 1987</u>	<u>% of Total</u>
• student tuition and fees	\$1,882,283	20%
• state appropriations	4,229,218	45
• federal funds	279,857	3
• government grants and contracts	283,629	3
• private gifts, grants and contracts	318,624	4
• income from endowment funds	69,870	1
• sales of axillary enterprises (student support services)	1,913,782	20
other income	<u>385,255</u>	<u>4</u>
	\$9,362,518	100%

The Academy has 3 student fee schedules, based on the applicant's residency. In the 1987 school year, the fees for tuition and room and board were as follows:

	In-State	New England	Out-of-State
Tuition			
• Fall/Winter	\$2,370	\$2,960	\$4,240
• Cruise/cadet			
• shipping	260	325	480
• Summer credit	68	85	120
One year total tuition:	\$2,698	\$3,370	\$4,840
Room & Board			
• Fall/Winter	\$2,570	\$2,570	\$2,570
• Cruise	460	460	460
• Summer term	295	295	295
Total Room & Board	\$3,325	\$3,325	\$3,325
Total Basic costs w/o misc. fees:	\$6,023	\$6,095	\$8,165

Foreign students are assessed an additional \$2,200.

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### The External Affairs Division

The Division of External Affairs is responsible for operating and coordinating Academy programs with external agencies. This division manages the Academy's recruitment and admissions programs, student financial aid, fund-raising efforts, the Center for Advanced Maritime Studies, the conferences and institutes programs, and the student placement office, including the Junior year cadet shipping program.

The External Affairs Division is responsible for placing students in commercial shipping experiences as required during their junior year. The division also helps place graduates in employment. In 1987, 90% of the graduating class were placed by July 1987. Statistics show the following placements:

• Maritime At Sea:	55	38%
• Maritime Ashore:	19	13%
• Non-Maritime Ashore	29	20%
• U.S. Government:	27	18%
• Continued Education:	2	1%
• Not placed:	14	10%

In addition, this division manages the Academy's continuing education program. In Fiscal Year 1987, the Academy sponsored 6 maritime-related continuing education programs which grossed \$78,400. In addition, the External Affairs division administers a conferences and institutes program which provides facilities for public and private conferences while classrooms are not in use. The conference activities raised an additional \$254,460 in 1987. These combined conference and continuing education programs raised an estimated \$ 332,860 revenue during the summer of 1987.

In 1985, the Maine Maritime Academy appointed former Governor Kenneth Curtis as President of the Academy. Under President Curtis' direction, the Academy's mission has changed dramatically - diminishing military influence and developing specialized programs that focus on Maine's training needs in ocean-research and related industrial engineering and improving its contributions to public service.

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President Curtis has emphasized MMA's ability to be an important state resource in maritime-related education and has further increased the Academy's commitment to public service through its affiliation with the Association for Research in the Gulf of Maine (ARGO). President Curtis serves as Chair to this cooperative oceanic research association which is comprised of the state Department of Marine Resources, the University of Maine system and private research labs within Maine. Further, the Academy provides its expertise and facilities to dock and maintain ARGO's research vessel, the Cayuse.

In reviewing the Maine Maritime Academy, the Committee found that the Academy serves as an important and distinctive resource to the state of Maine, providing Maine's students a unique educational experience and providing Maine's residents a unique resource in studying an important state resource, its waters. The following recommendations reflect the Committee's findings.

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STATUTORY

1. Continue state support of the Maine Maritime Academy under the provisions of the Maine Sunset Law.
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FINDING

2. The Committee finds that the Maine Maritime Academy has undergone dramatic changes under the able leadership of President Kenneth Curtis which has enhanced the Academy's ability to continue to provide an important and integral component of higher education in Maine.
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The past few years have been years of review and evaluation for the Board of Trustees at the Maine Maritime Academy. As a result, the educational philosophy of the Maine Maritime Academy has changed and the school's educational services have been redesigned to keep pace with changes in the maritime industry, to better serve Maine's industrial needs and to diversify the academic program in order to attract more Maine students and better meet the state's training needs.

In 1985, the Maine Maritime Academy appointed Governor Kenneth Curtis as President of the Academy. Under President Curtis' direction, the Academy's primary mission has changed from preparing military cadets to meeting Maine's industrial and maritime educational needs. As a reflection of these changes, Maine Maritime Academy has revised its mission statement to clarify the Academy's responsibility and emphasize its commitment to public service.

**MISSION OF MAINE MARITIME ACADEMY**  
(revised Spring 1987)

Maine Maritime Academy is a college specializing in ocean and marine oriented programs at the undergraduate and graduate level, with emphasis on engineering, transportation, management, and ocean science, as well as preparing officers for the

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merchant marine and the uniformed services of the United States. The Mission of the college is to provide an educational environment which stimulates intellectual curiosity, fosters professional competency, encourages rigorous self-discipline, and develops leadership potential through a learning environment which emphasizes active student involvement in both the curricular and co-curricular educational process. The college provides public service to the State while perpetuating Maine's heritage of the sea.

The Academy has undergone other changes which also reflect President Curtis' initiatives in focusing on Maine's training needs in ocean management, ocean-research and industrial engineering.

The Committee finds that the Academy's new initiatives have been extensive, dramatic and practical. These changes have begun with the Board of Trustees' review of its current institution and researching of ways to better meet Maine's educational needs today. The Board of Trustees is currently developing a long range plan that includes industry's identification of its training needs, surveys of ex-students' dissatisfaction with the current educational program and an analysis of potential revenue options available to the Academy.

As a result of this revision process, many changes have occurred in the area of Academic programs and in the administration of the institution. The following is a sample of changes in the Academic programming.

- expansion of the 4 year program from two undergraduate majors (marine engineering and nautical science) to five undergraduate majors (marine engineering operations, marine engineering technology, marine systems engineering, nautical science and maritime transportation and management);
- development of a minor program in Industrial and Power Plant Management and Operations;
- development of two Associate of Science degrees in Yacht Operations, and Boat Yard Management, and Yacht Designs;
- development of a Master's degree program in Maritime Management;



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- accreditation by the New England Association of Schools and Colleges, Inc.;
  - prospective accreditation from the Accreditation Board for Engineering and Technology for the Marine Engineering Technology Program; and
  - curriculum development which enhances student placement in Maines's industrial engineering and management areas and makes MMA more competitive with other 4 year degree programs.

In addition to these changes in the academic agenda, the Committee finds that MMA has initiated several administrative changes that reflect the change in its educational philosophy:

- changing the President's title from Superintendent to President in an effort to "demilitarize" the institution's leadership;
- developing a strategic management plan to clarify the institution's long-term goals, objectives and role in providing maritime educated personnel to maritime employers - civilian and military;
- revising the MMA mission statement;
- revising school policies to reflect the 3-tiered education but take into consideration the social, residential and educational needs of the non-traditional student;
- surveying freshmen and sophmores who resigned from the program during the past five years to identify their reasons for leaving;
- surveying maritime employers to identify their employment needs;
- developing a more aggressive campaign for annual capital fund-raising;
- investing in a strong public relations campaign;

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- developing a more aggressive student recruitment, job placement and cadet shipping program;
  - participating in the Association for Research in the Gulf of Maine (ARGO) in both a practical manner by staffing and maintaining the state's oceanic research vessel, CAYUSE, and by providing leadership;
  - providing public conference facilities during the summer to state agencies and the general public at minimal prices; and
  - establishing continuing education programs for the maritime industry.

In its review of the Maine Maritime Academy, the Committee finds that the Maine Maritime Academy has undergone dramatic changes under the able leadership of President Kenneth Curtis. Furthermore, the Committee finds that these changes enhance the Academy's ability to continue to provide an important and integral component of higher education in Maine.

Therefore, the Committee recommends continuing state support of the Maine Maritime Academy as it serves as an important and distinctive resource to the state of Maine, providing Maine's students a unique educational experience and providing Maine's residents a unique resource in studying an important state resource, its waters.

FINDING:            3.            The Committee finds that the  
Maine Maritime Academy provides a  
unique contribution to Maine's  
post-secondary education system  
and should be recognized as an  
invaluable and integral component  
of                    this                    system.

In 1984, the Governor's Visiting Committee to the University reviewed Maine's system of higher education and found that the Maine Maritime Academy holds a distinct and independent status within the public post-secondary education system in Maine.

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The Academy is known throughout Maine for its unique 3 tiered educational program which provides classroom theory, hands-on training and a structured social environment to train able engineers to work in Maine's major nautical and land-based industries.

In addition to the traditional degree programs, MMA provides specialized continuing education for people employed in the maritime industries. MMA is also the first in the nation to offer a graduate degree in maritime management. In 1985, the Academy expanded into the state's research arena by offering its expertise and facilities to the Association for Research in the Gulf of Maine.

The Committee finds that MMA's position within Maine's post-secondary educational system is changing as the state is changing. Further, the Committee finds that the Maine Maritime Academy provides a unique contribution to Maine's post-secondary education system and should be recognized as an invaluable and integral component of this system.

FINDING

4.

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The Committee finds that Maine Maritime Academy's salaries should be reviewed for current parity within Maine's higher education system and that a system should be established to ensure that MMA's needs are considered in conjunction with the needs of the University system and the state Vocational Technical Institutes.

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ADMINISTRATIVE

5.

The Maine Maritime Academy should conduct an employee reclassification study.

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The Maine Maritime Academy has undergone major administrative changes in recent years, reorganizing its program to better meet the needs of the state and to remain financially competitive as an institution of higher education. In its evolution as a specialized maritime training institution, the MMA has accomplished the following:

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- upgraded the engineering program to meet national accreditation standards for civilian engineering programs;
  - expanded maritime programs related to the management of smaller vessels in the boatyard and at sea; and
  - introduced the first masters degree program in advanced maritime education available in the U.S.

The Committee finds that these changes mark the beginning of a new era in MMA's administration. In a recent study comparing MMA's salaries and benefits with those offered by other regional 4 year colleges, it was found that the Academy's salaries are comparatively lower than those of the smaller 4 year colleges associated with the University of Maine system. Further, it was noted that in the past, MMA had based its salary schedule on the University's classification system. However, the Committee finds that the Academy should have its own internal mechanism to ensure that salaries are regularly reviewed in conjunction with the University system and the Vocational Technical Institutes.

Accordingly, the Committee finds that MMA's salaries should be reviewed for current parity within Maine's higher education system and that a system should be established to ensure that MMA's needs are considered in conjunction with the needs of the University system and the state Vocational Technical Institutes. Further, the Committee recommends that the MMA should conduct an employee reclassification study.

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STATUTORY

6. Include Maine Maritime Academy as an eligible participant in the state's group health insurance plan.
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The state currently has a health insurance plan that provides complete coverage for state employees and benefits for their family members. In addition to state employees, this plan provides group coverage for others not employed by a state agency but under the purview of a publicly funded program. For example, members of the Legislature, the Judiciary, employees of the Maine State Employees Association, the Maine Turnpike Authority and the Maine Vocational Technical Institutes are all eligible to participate in this group plan.

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In reviewing Maine Maritime Academy, the Committee finds that since the MMA is a publicly-funded institution, it is appropriate to include MMA as an eligible participant in the state's group health insurance plan.

The Committee finds that including the Academy as a participant in the state's group health insurance plan could result in the following:

- reduced costs for the Academy in providing employee health care benefits;
- improved employee benefit packages due to inclusion in a larger size group plan;
- more attractive compensation packages which could aid in the retention and recruitment of high quality staff.
- parity with employees of the vocational technical institutes and other non-state agencies that receive public support.

Therefore, the Committee recommends the statutes be amended to include the Maine Maritime Academy as an eligible participant in the state's group health insurance plan.

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FINDING

7.

The Committee finds that adequate docking facilities are crucial to the Academy's ability to provide the unique education which distinguishes Academy graduates within Maine's industries and which allow it to fulfill its unique educational mandate in Maine.

The Committee further recognizes the innovative efforts of Maine Maritime Academy in mitigating the cost of the dock project through the solicitation of federal surplus materials and assistance.

Furthermore, the Committee recognizes the commitment of Major General Parks, Adjutant General of the Maine Department of Defense, in assisting the Maine Maritime Academy to mitigate the costs of these repairs.

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The Maine Maritime Academy is a nautical school entrusted by the state, and aided by the federal government, to provide its students with the knowledge to operate and maintain a deep-water vessel and to repair the vessel's electrical and mechanical systems as needed. For this purpose, MMA has been loaned the "State of Maine," a 500 foot, 13,000 ton training ship which is owned by the Maritime Administration in the federal Department of Transportation and docked at the Academy's waterfront.

In addition to the Academy's responsibility for the State of Maine, the Academy also docks and maintains a barge and tugboat which are used in providing hands-on experience to Associate degree candidates. The Academy also has a fleet of 60 small vessels which have been donated to the school as aid in continuing its hands-on training program. Finally, the Academy has recently assumed responsibility for the Cayuse, the state research ship owned by the Association for Research in the Gulf of Maine.

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As a result of a site review at the Academy, the Committee finds that the Academy's dock is currently in a measurable state of disrepair. Further, the Committee found that the Academy not only needs to improve its deteriorating piers but also to expand the basin between the shore and the pier in order to properly accommodate these vessels. It is estimated that this will require a 30 foot extension of the existing pier into the channel.

The Academy has identified the following as potential means of reducing its request for state assistance in this project:

- The Academy has applied to the Army for surplus pier materials to replace the decaying wing of the pier and build the extension. Use of these piers would reduce the cost of actual materials.
- The Academy has asked the National Guard for assistance in making the repairs and improvements to the existing pier.
- It is estimated by the Academy that these 2 combined efforts could reduce the cost of the pier project to \$1.5 million.

The Committee finds that much of this federal support has been made possible through the efforts of Major General Parks, Adjutant General of the Maine Department of Defense.

The Committee finds that adequate docking facilities are crucial to the Academy's ability to provide the unique education which distinguishes Academy graduates within Maine's shipping and industrial communities and which allow it to fulfill its unique educational mandate in Maine.

The Committee further recognizes the Academy's innovative efforts at mitigating the cost of the dock project through the solicitation of federal surplus materials and assistance.

Furthermore, the Committee recognizes the commitment of Major General Parks, Adjutant General of the Maine Department of Defense, in assisting the Academy to mitigate the costs of these repairs.

**SENATE**

**BEVERLY MINER BUSTIN**, DISTRICT 19, CHAIR  
**RAYNOLD THERIAULT**, DISTRICT 1  
**MARY-ELLEN MAYBURY**, DISTRICT 11

**STAFF**

OFFICE OF FISCAL AND PROGRAM REVIEW  
**CHERYL RING**, PRINCIPAL ANALYST  
**LOCK KIERMAIER**, ANALYST  
**BARBARA J. GAGE**, ANALYST



**HOUSE**

**NEIL ROLDE**, YORK, CHAIR  
**RUTH JOSEPH**, WATERVILLE  
**PHYLLIS R. ERWIN**, RUMFORD  
**NORMAN O. RACINE**, BIDDEFORD  
**ADA K. BROWN**, GORHAM  
**HARRIET A. KETOVER**, PORTLAND  
**JOHN C. BOTT**, ORONO  
**ELEANOR M. MURPHY**, BERWICK  
**WESLEY FARNUM**, SOUTH BERWICK  
**BEVERLY C. DAGGETT**, AUGUSTA

STATE OF MAINE  
ONE HUNDRED AND THIRTEENTH LEGISLATURE  
**COMMITTEE ON AUDIT AND PROGRAM REVIEW**

**MAINE MARITIME ACADEMY**

**ADDENDUM**

**1987-1988**

**VOLUME 2 OF 4**



## INTRODUCTION

As a final part of its report on the Maine Maritime Academy, the Committee on Audit & Program Review has assembled a number of documents in the form of this addendum. The purpose of this short volume is to document final Committee action, include a number of additional recommendations, and update and revise several pieces of information contained in the original report which represent formal action by the Committee which is not necessarily evident in the recommendations.

**FINAL DISPOSITION OF  
COMMITTEE RECOMMENDATIONS**

<u>RECOMMENDATION</u>	<u>DESCRIPTION</u>	<u>MOTION</u>
Stat. Rec. 1.	Continue the state support of the Maine Maritime Academy.	OTP
Finding 2.	Recognize the Academy's dramatic changes under the able leadership of President Kenneth Curtis.	OTP
Finding 3.	Recognize the unique, invaluable and integral component of Maine's higher education system that is provided by the Maine Maritime Academy.	OTP
Finding 4.	Recognize the need for the Academy's salaries to be reviewed for parity within this higher educational system and establish a system to ensure continued state consideration of these needs.	OTP
Adm. Rec. 5.	Direct the Maine Maritime Academy to conduct an employee reclassification study.	OTP
Stat. Rec. 6.	Include the Maine Maritime Academy as an eligible participant in the state's group health insurance plan.	OTP
Finding 7.	Recognize the Academy's docking facilities as crucial to its unique educational mandate. Further, recognize the Maine Maritime Academy, with the assistance of Major General Park, for their innovative efforts in mitigating the cost of the repairs to these facilities. Amended by submitting a letter to the Committee on Appropriations and Financial Affairs supporting the Maine Maritime Academy's need for \$250,000 in fiscal year 1989 to complete engineering design preparations.	OTP-AM

SENATE

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STATE OF MAINE

ONE HUNDRED AND THIRTEENTH LEGISLATURE  
COMMITTEE ON AUDIT AND PROGRAM REVIEW

April 7, 1988

Honorable Michael D. Pearson  
Honorable Donald V. Carter  
Members of the Appropriations and Financial Affairs Committee  
113th Legislature  
Augusta, Maine 04333

Dear Senator Pearson and Representative Carter and Members of the Committee,

We understand that the Maine Maritime Academy has submitted a request to the Commissioner of Finance asking for support of a \$250,000 appropriation request for fiscal year 1989. We are writing in support of the Maine Maritime Academy's need for an appropriation of \$250,000 in fiscal year 1989 in order to identify the actual costs of a revised pier reparation, prepare engineering plans which reflect these changes and purchase materials to begin construction in the spring of 1990.

As you know, the Academy is known throughout Maine's industrial communities for its unparalleled education program. However, as demonstrated in the Audit and Program Review Committee's 1988 report, this unique education is dependent on the waterfront facilities in order to continue to provide students with hands-on training on campus and on the federal training vessel which has been loaned to the state for this purpose.

The Maine Maritime Academy has shown prudence and creativity in identifying ways to mitigate the cost of these repairs. It has reduced its original estimates for this work by soliciting assistance in manpower and materials from the federal government. The Academy has further reduced the cost by paring down the project to the essentials required for safety, rather than educational, purposes.

We find that the Academy has acted responsibly and with great respect for public accountability in requesting these funds as part of the \$1.5 million needed to restore these facilities to safe standards of operation. These funds will benefit the state by enabling the Academy to provide accurate and detailed assessments of the reparations needed in order to continue to fulfill its unique educational mandate.

Sincerely,

Handwritten signature of Beverly M. Bustin in cursive.

Beverly M. Bustin  
Senate Chair

Handwritten signature of Neil Rolde in cursive.

Neil Rolde  
House Chair

cc: Jean Mattimore, Commissioner of Finance