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State of Maine
Department of Administrative and Financial Services

October 2011

2011 Government Evaluation Act Report

Submitted to:

The Joint Standing Committee on State and Local Government



STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE AND
FINANCIAL SERVICES
78 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0078

Paul R. LePage
GOVERNOR

H. Sawin Millett, Jr
COMMISSIONER

November 1, 2011

Senator Douglas A. Thomas
Representative H. David Cotta
C/O Committee on State and Local Government
Cross State Office Building, Room 214
Augusta, ME 04333

Gentlemen:

On behalf of the Maine Department of Administrative and Financial Services (DAFS), I am herewith submitting our 2011 Program Evaluation Report as required by MRSA Title 3, § 956 [Chapter 35: State Government Evaluation].

The DAFS bureau and program descriptions contained herein cover the following:

- Office of the State Controller
- Division of Financial and Personnel Services
- Bureau of Human Resources (Exclusive of the Division of Employee Health and Benefits)
- Bureau of the Budget
- Office of Information Technology
- Bureau of General Services

The Bureau of Alcoholic Beverages and Lottery Operations and the Maine Revenue Services are also organized within the jurisdiction of DAFS, but the oversight authority for these functions lies with other Joint Standing Committees, as does that of the Division of Employee Health and Benefits.

Please note that DAFS has prepared this report in a simple, inexpensive format without color print, tab pages or professional binding in an effort to control preparation costs. This report is also available in electronic (.pdf) format.

On behalf of DAFS Commissioner Millett and the Bureau Directors, I thank you for your continued interest in DAFS operations and we look forward to discussing it in detail with the Committee this winter.

Cordially,

A handwritten signature in black ink, appearing to read 'David F. Emery'.

David F. Emery, Deputy Commissioner
Department of Administrative and Financial Services

cc: Anna Broome, Analyst
Veronica Snow, Clerk

7 July, 2011

Senator Douglas A. Thomas
Representative H. David Cotta
Committee on State and Local Government
214 Cross Office Building
Augusta, ME 04330

Gentlemen:

We are in receipt of your request for a complete review of the Department of Administrative and Financial Services (DAFS), pursuant to the Government Evaluation Act, Title 3 MRSA § 956. We will be pleased to comply fully, but ask for clarification of the following points:

- A) Your letter of May 1, 2011 to DAFS refers to two dates that we believe are in error. The letter states that the Committee will begin its review no later than February 1, 2011; and that the Committee anticipates issuing its report no later than March 15, 2011. Do we assume correctly that the Committee meant February 1, 2012 and March 15, 2012, respectively?
- B) Your request specifically excludes the Maine Revenue Service (MRS) since MRS oversight authority lies with the Committee on Taxation. Likewise, we note that the oversight authority over the Bureau of Alcoholic Beverages and Lottery Operation (BABLO) lies with the Committee on Veterans and Legal Affairs. Accordingly, we ask permission to exclude BABLO from your request.
- C) Title 3, Chapter 35: MRSA § 956(2)(B)(2) and (2)(B)(3) refer to 'performance criteria'. We note that Performance Based Budgeting was repealed as of June 30, 2007 following a decision of the Legislature and the Baldacci Administration to adopt the system and procedures now in use. Accordingly, all 'performance criteria', as once specified in Title 5, Chapter 151-C: § 1710(K) – 1710(Q), relating to budgets, programs and government operations, have been repealed. It appears, however, that references to 'performance criteria' were never removed from Title 3, Chapter 35: MRSA § 956(2)(B)(2) and (2)(B)(3). Consequently, we request that the Committee allow us to ignore the references to 'performance criteria'. We propose, instead, to evaluate DAFS performance against other measurable elements such as deadlines, timetables, manpower and budget targets, and similar quantifiable benchmarks. Does the Committee agree?

Deputy Commissioner David Emery will serve as the DAFS contact point for this evaluation process. Please feel free to contact him directly if you have any questions. And, of course, I am always available to the Committee if needed for any reason.

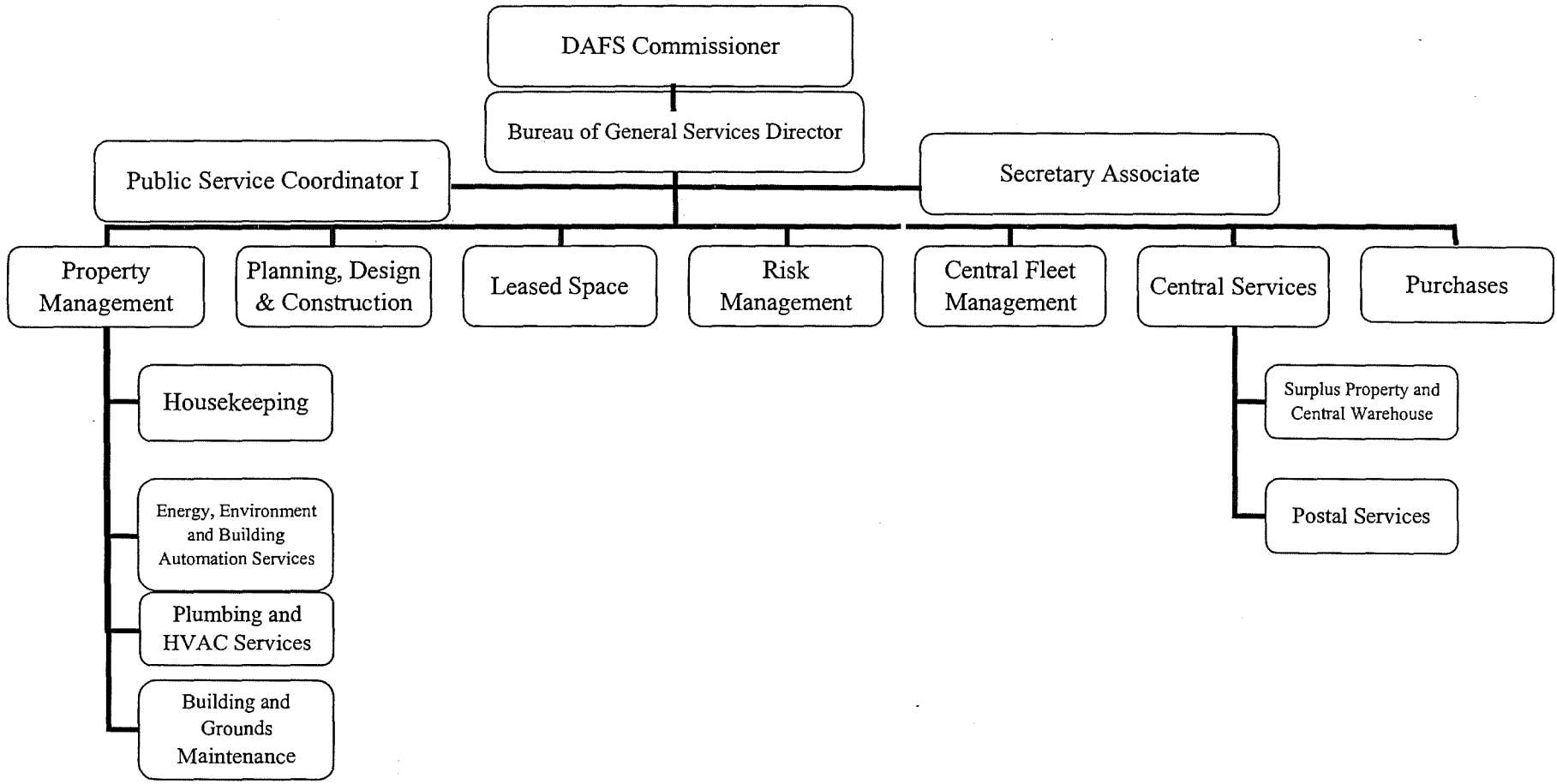
Sincerely,

H. Sawin Millett, Jr.
Commissioner

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Overall Structural Organization
of the
Bureau of General Services



ENABLING LEGISLATION & DEPARTMENT OVERVIEW

The Department of Administrative and Financial Services ("DAFS") was established through Chapter 785 of the Public Laws of 1985, effective July 1, 1986. This legislation provided for a major reorganization of central financial and administrative units in state government. The former Department of Finance and Administration was dissolved and administrative service units were placed in the Department of Administration. Public Laws of 1991, Chapter 780 merged the Department of Administration with the Department of Finance to establish the Department of Administrative and Financial Services.

DAFS has a broad range of responsibilities serving the Executive, Legislative and Judicial branches, 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 statues of State Government. It is responsible for oversight of all aspects of the civil service system and employee training and benefits; handling negotiations within the collective bargaining process on behalf of all state agencies; maintaining all state owned building and grounds; and managing public improvements (new construction, renovations and repairs) and procurement of leased space. In addition, DAFS provides numerous internal services for state agencies, 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.

The DAFS Bureaus and program descriptions contained in this report are:

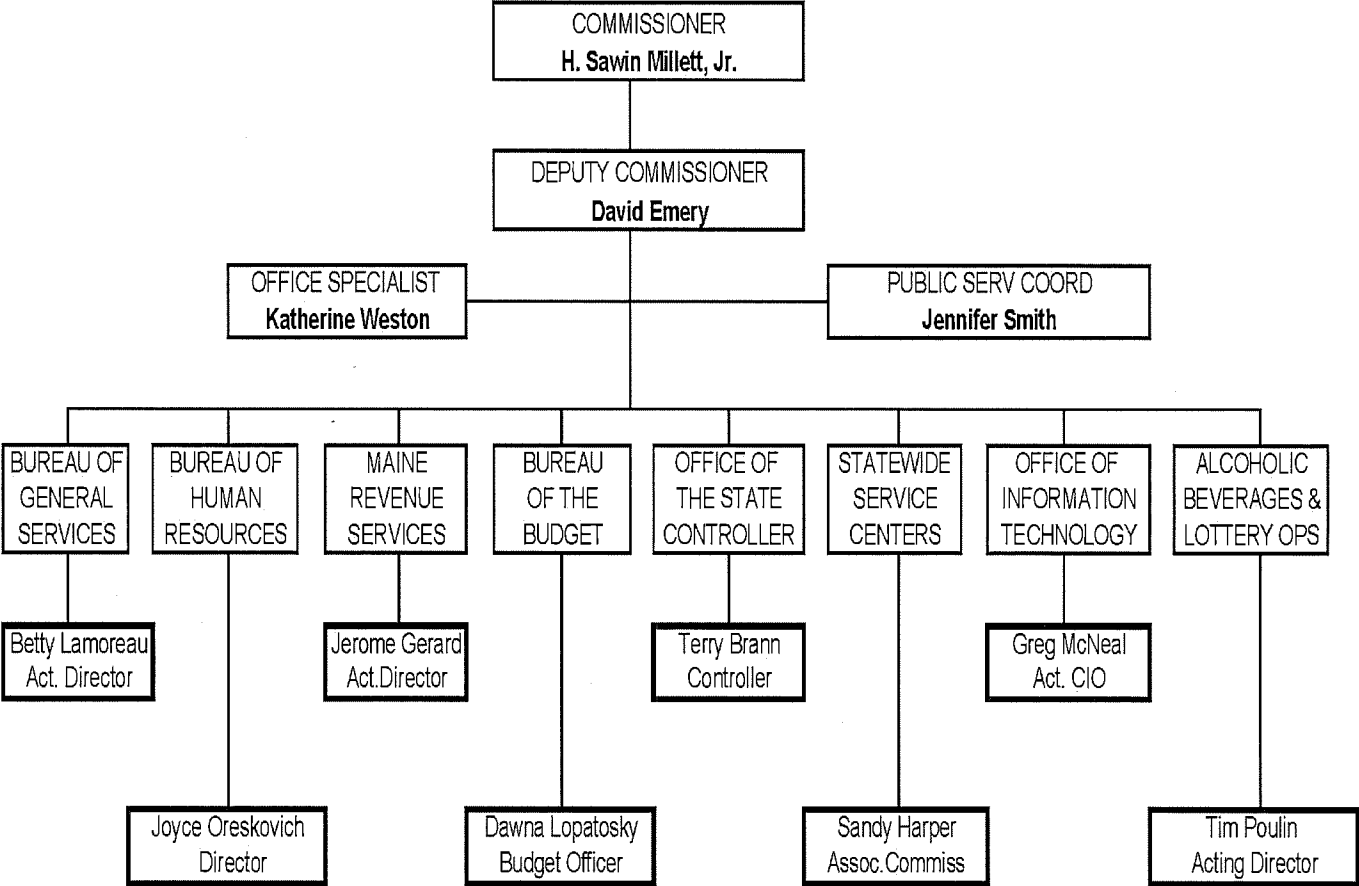
- OFFICE OF THE STATE CONTROLLER
- DIVISION OF FINANCIAL AND PERSONNEL SERVICES
- BUREAU OF HUMAN RESOURCES (Exclusive of the Division of Employee Health and Benefits)
- BUREAU OF THE BUDGET
- OFFICE OF INFORMATION TECHNOLOGY
- BUREAU OF GENERAL SERVICES

DAFS also oversees the State's alcoholic beverages and lottery operations (Titles 8 and 28-A) and revenue services, including the collection of state revenues necessary to support state government and agency programs (Title 36). Those two DAFS bureaus, as well as the Division of Employee Health and Benefits under the Bureau of Human Resources, are jurisdictions of other Joint Standing Committees and therefore are not covered in this report.

DAFS and its Bureaus comply with all federal and state health and safety laws, including the Americans with Disabilities Act, the federal Occupational Safety and Health Act, affirmative action requirements and workers compensation laws.

NOTE: Some items specified by Title 3, § 956 [Chapter 35: State Government Evaluation] for inclusion in the Government Evaluation Report may not be relevant for certain DAFS Bureaus. In such instances, no reference to the item is included.

DEPARTMENT OF ADMINISTRATIVE & FINANCIAL SERVICES



OFFICE OF THE STATE CONTROLLER

The Office of the State Controller ("OSC") maintains accounting policy and records according to Government Accounting Standards Board ("GASB") rules. The powers and duties of the OSC are detailed in 5 M.R.S.A. § 1541. The OSC has a legislative headcount of 26.

DIVISIONS

The Bureau has four divisions:

- Accounting
- Financial Reporting
- Internal Audit
- Payroll

MAJOR FUNCTIONS AND RESPONSIBILITIES

- The Bureau is an administrative agency responsible for maintaining and reporting all state financial transactions. Staff analyze fiscal transactions and payrolls to ensure legality and correctness. In addition, the OSC provides internal audit support for the agencies that comprise state government. Official financial records for all state agencies and programs are administered by the OSC staff.
- The Bureau's Financial Reporting Unit prepares and publishes the state's Comprehensive Annual Financial Report ("CAFR"), based on Generally Accepted Accounting Principles ("GAAP"). The CAFR includes both blended and discretely presented Component Units. The State Auditor audits the CAFR that is delivered to a wide audience.
- A major function of the Bureau is maintaining the portions of the State's central systems related to accounting and HR/Payroll. Bureau personnel work closely with the Office of Information Technology staff and state agencies to maintain and enhance the systems. A data warehouse for all production systems is provided for statewide budget, accounting, human resources and payroll data. Queries to the warehouses can provide ad hoc or regular management reports, valuable data sorts, or specific data required in the course of completing fiscal work.

ESTABLISHED PRIORITIES

- The highest priority initiative for the OSC is the replacement of the Human Resource production system that keeps the state's current personnel, payroll and position control information. The current system, implemented in 1990, issues over 350,000 payroll payments annually, with about 99% via direct deposit (electronic) and the balance via paper checks. The system is based on an obsolete mainframe platform and does not provide the necessary tools for human resources management.

EMERGING ISSUES & FUTURE GOALS

- Replacement of the Human Resource production system.
- Partnering with the Office of Information Technology to implement a transparency website that is searchable by the public.
- Partnering with the Service Centers to develop a paperless payment process.

SELECTED ACCOMPLISHMENTS

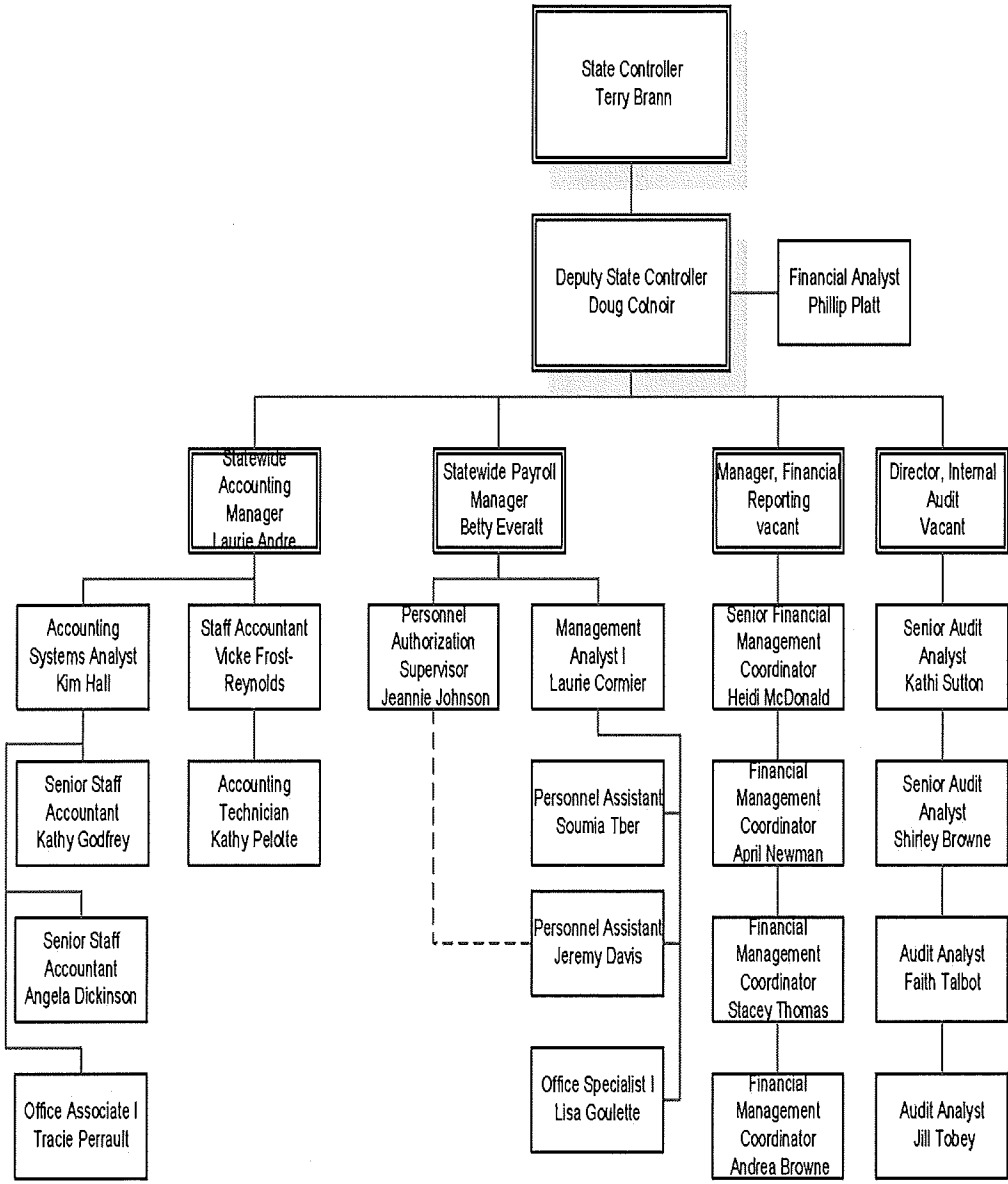
- The CAFR for FY10 received the Certificate of Excellence in Financial Reporting for the fourth consecutive year.
- The Bureau upgraded the accounting system (Advantage) and transitioned the system to a managed services contract with vendor, CGI, on July 1, 2011. The accounting production system is used to process over 2.2 million payable and another 550,000 accounting transactions annually.

REQUIRED REPORTING

- Comprehensive Annual Financial Report (Title 5 § 1547)
- Annual Report of the Retiree Health Insurance Irrevocable Trust Fund (Title 5 § 286-B)
- Report on Audit Recovery Activities (Title 5 § 1622)

Office of the State Controller

010-18F005601



DIVISION OF FINANCIAL AND PERSONNEL SERVICES

Title 5 § 284 established the Division of Financial and Personnel Services on June 30, 1992. Public Law 2005 c. 12 Pts. K-4, G-2 and G-3 expanded the agencies served under the existing Service Center within DAFS. This legislation also directed the department to review the structure of payroll, personnel and accounting statewide in an effort to improve organizational efficiency and cost-effectiveness.

Focusing on cabinet-level departments, agency groupings were identified to establish six central services units. These units collapsed the silo structure where each department, and sometimes individual agencies within departments, functioned independently with individual oversight and inequity in resources. Utilizing an enterprise approach, these units would allow for a statewide uniform management of finances, human resources and payroll.

MISSION & OBJECTIVE

The mission of the Service Centers is to assure Maine people of the optimal utilization of the State Government resources. The objective is to improve the accountability, efficiency and effectiveness of the State's administrative, financial and personnel systems. The service centers' strategy to support departmental operations and programs and to achieve the objective is to provide reliable, timely and relevant financial and human resource management services in an efficient and effective manner, which is consistent with statewide budgetary policy, generally accepted accounting practices and collective bargaining agreements.

SERVICES CENTERS

The Division has six Service Centers managed by four Service Center Directors:

- General Government
- Natural Resources
- Security and Employment
- Transportation
- Corrections
- Department of Health and Human Services

Beginning in FY10, the management of Personal Services within each of the Service Centers was reassigned to the Bureau of Human Resources. The staff performing these functions remain in the Service Centers with the finance staff, however these positions report functionally to the Director of the Bureau of Human Resources.

- The Service Centers operate as an Internal Service Fund through the Financial and Personnel Services Fund. Collectively, the service centers process payroll and provide human resource needs to over 12,000 State employees. Annually, the finance sections

manage 850 accounts totaling over \$6.9 billion in funds, process millions of documents for payment and collect billions in revenues for the various state agencies.

- As Internal Service Funds, they are set up to take advantage of economies of scale, to provide a central management of information, to avoid duplication of effort, and to accurately identify costs of specific governmental services. The service centers set their rates to recover the full cost of providing services.
- To ensure proper oversight of the size, mission and fees charges by Internal Service funds, the Legislature must approve all Internal Service Fund budgets and approve the number of full-time equivalent positions. In turn, state agencies served by Internal Services have Internal Service Fund costs built into their All Other portion of their operating budgets. Internal Service Funds are also reviewed and audited by the State Controller's Office and State Department of Audit. In fiscal year 2012 the budget for the Service Centers totaled \$21 million supporting 297 full time equivalent positions.

REDUCTIONS

- In FY06/07 six Service Centers were created, generating over \$2.6 million in General Fund Savings and eliminating more than 30 positions. Department and Agency employees transitioned into the uniform structure allowing the development of a group of professional employees with specialized skills that were transferable to serve any agency in state government. By creating a clear career path and professional development opportunities, this structure would aid in the recruitment and retention of skilled staff.
- In FY08/09, the Transportation Service Center consolidated managerially with the Security and Employment Service Center, eliminating a Service Center Director position.
- In FY10, the General Government Service Center and Natural Resources Service Center consolidated managerially into one unit, eliminating an additional Service Center Director position.

MAJOR FUNCTIONS AND RESPONSIBILITIES

- Human Resources
 - Personnel administration
 - Employee Relations
 - Payroll
- Financial Services
 - Accounting, accounts payable/receivable, cash management
 - Financial reporting and analysis
 - Grant management and reporting
 - Budget development, submission and management
 - Internal audit services

ESTABLISHED PRIORITIES

- Providing a level of internal control that ensures reliable financial reporting, effective and efficient operations and compliance with applicable State and federal statutes, rules and regulations that are uniform across all the departments served.
- Through the segregation of functional responsibilities, Service Centers strive to create a system of checks and balances and provide accounting control over assets, liabilities, revenues and expenditures.

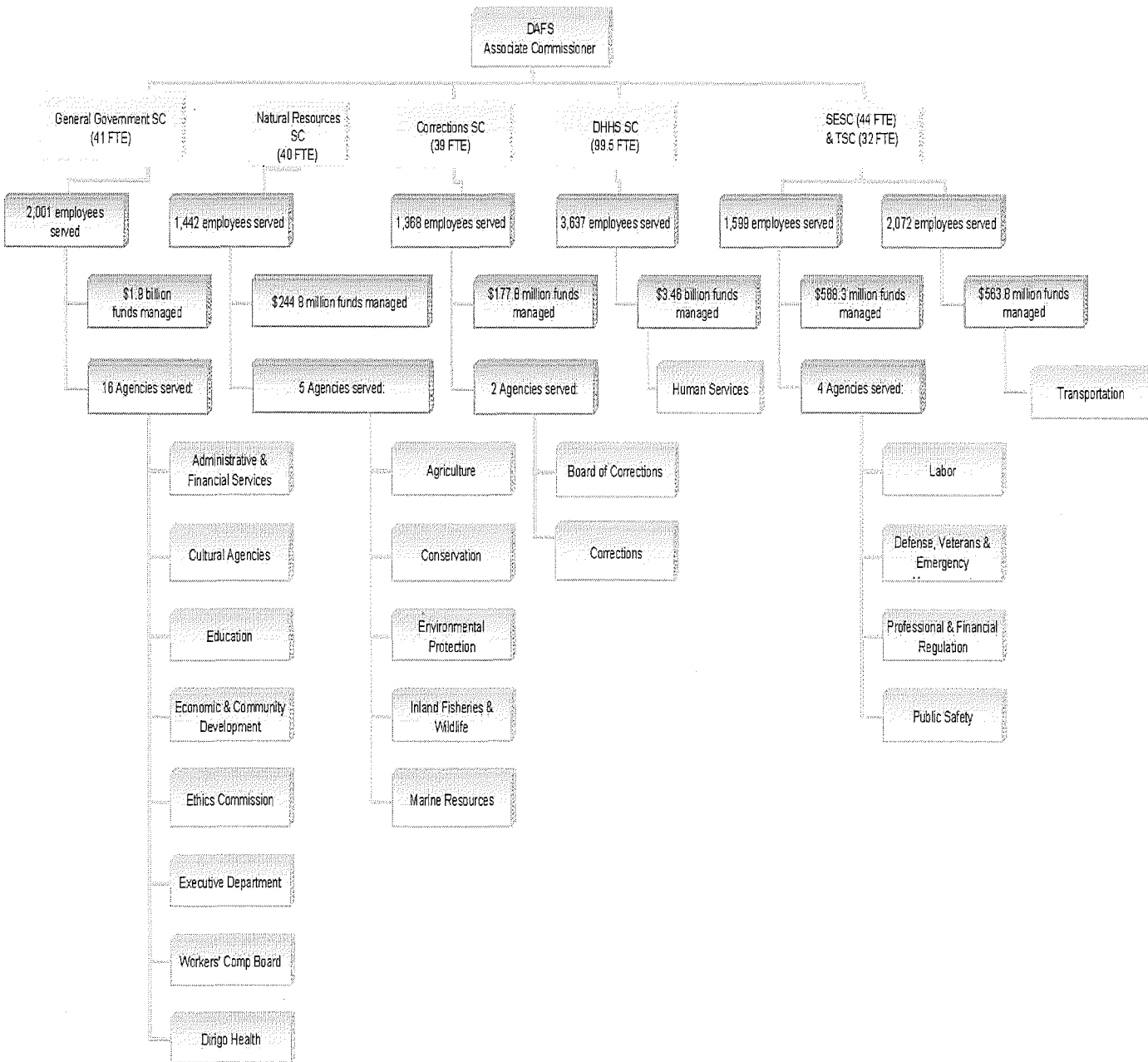
EMERGING ISSUES & FUTURE GOALS

- The Service Centers continue to explore ways to improve and streamline budgetary and finance processes through the use of technology. Improved and enhanced technological solutions are available to assist with this streamlining process. The Service Centers will incorporate these new and advanced technological innovations as resources permit.
- The Service Centers must continuously reinforce their relationship with their client departments and agencies. Ongoing communication at all levels of the organization must be enhanced to build a relationship based on mutual trust and understanding. By providing the departments and agencies with the management tools they need, the Service Centers will enhance their roles as a financial management resource to the program managers.

SELECTED ACCOMPLISHMENTS

- Invoice processing: Service centers strive to provide timely (within 10 days) payment of invoices. Most invoices have a 5 day turnaround (receipt to approval) within the service center, although processing times have begun to rise as the service centers try to manage with fewer staff due to turnover of employees.
- Enhanced financial reporting: key statistics and management information has been increasing throughout the service centers. With increased reliability and consistency of financial information, along with more real time reporting and query capabilities, the service centers can provide the Department and Agency program managers with the type of information they need to effectively manage their programs.
- Technology and work flow analysis have provided ways to improve the use of resources through the elimination of non-value added processes (such as copying, filing and archiving Accounts Payable invoices). Further the use of document scanning has allowed a move to a more paperless office. Storage has been reduced and accessibility improved.
- The ongoing process of streamlining and reorganization within the Service Centers has demonstrated savings and there is a continued review of processes and work flow to identify additional efficiencies.

Department of Administrative and Financial Services - Service Centers



BUREAU OF HUMAN RESOURCES

In 1985 the Legislature acknowledged that State government, as the largest single employer in the State, has a substantial impact not only on the growth and development of the State, but also on policies that directly affect Maine citizens. It concluded that it was "vastly important" to the efficient and effective operation of State government that all citizens of Maine have a fair and equal opportunity to enter and remain in State service on the basis of merit.

To that end, the Legislature enacted Title 5 § 7033 *et. seq* ("Civil Service Law"), which established a State Civil Service System to ensure that state employees are hired and retained based only on their skills and qualifications. The Bureau of Human Resources ("BHR") was established as the personnel administrative organization necessary to ensure these "merit system" principles in hiring and retention practices. BHR was also charged with recognizing and developing talents, contributions and potential of state employees and applications for employment.

In 2007, Civil Service Law broadened BHR's role to include the statutory duties formerly assigned to a separate bureau. The Bureau of Employee Relations was abolished, and its functions and employees were consolidated with those of BHR.

MISSION & OBJECTIVE

BHR's statutory mission is to establish within state government a high concern for state employees as people, to increase the quality of service to Maine citizens by encouraging and motivating employees to excel, to provide managers and employees with necessary skills and qualification to conscientiously perform their work, to promote effective labor relations and to establish itself as a service agency to assist agencies and departments of state government in managing its human resources.

BHR's objective is to become a strategic partner to state government managers in their efforts to efficiently and effectively conduct the State's business within the boundaries of the merit systems principles, contractual obligations and employment laws that affect all employers in Maine. BHR's strategy to achieve this objective is to transition from a transactional-oriented organization (i.e. entering data into payroll records, manually processing applications and other necessary paperwork) to a strategic partner in the management of the organizations' most valuable resource - its human resources.

DIVISIONS

The Bureau of Human Resources consists of three functional divisions:

- MERIT SYSTEM DIVISION, with a staff of eight (8), this Division is responsible for the statewide administration of the Civil Service System.
 - Major Functions and Responsibilities
 - Development of statewide personnel policies

- Recruitment and application processes
 - Statewide classification system
 - Statewide compensation system
 - Interpretation of Civil Service Law and Rules and issuance of guidelines, bulletins and memoranda to HR professional in the Service Centers
 - Coordination of briefings for HR professional in the Service Centers
 - Assisting department managers in efforts to reorganize and realign workforces for efficiencies
 - Providing outsourcing services to state employees who are laid-off
 - Organizing annual Statewide Employee Recognition ceremonies
 - Maintenance of personnel records
 - Responding to public requests for information related to these systems.
- Established Priorities
- Develop collaborative working relationships with HR professionals in the Service Centers and senior managers in all agencies
 - Centralize operations where efficiencies of scale make sense and decentralize decision-making where flexibility and quick response is necessary
 - Advocate for modern human resource practices
 - Provide automated information systems and applications to support efficient human resource administration
 - Support the HR management community in professional growth and development as they grow into a new role as strategic partner to senior management team
- Selected Accomplishments
- Significantly reduced the number of pending reclassification petitions (avoiding future financial liability for the State in retroactive wages and interest) by working with the unions to streamline the appeal process
 - Worked collaboratively with the union on classification and pay studies involving administrative employees, operational and maintenance employees and supervisory employees
 - Developed an online application process
 - Streamlined the certification of eligibles for employment to shorten the hiring process
 - Published an online Employee Handbook
 - Developed a policy on workplace response to domestic violence and collaborated with community resources to produce a toolkit for employer response to abusers in the workplace that has received national attention
- Constituencies
- This division of BHR provides state employees and state agencies with advice and assistance. It also serves as an access point for members of the public seeking state employment

- Office of Employee Relations ("OER"), with a staff of 5, is responsible for all matters concerning the collective bargaining process; development and implementation of employee relations policies; and administration of the collective bargaining agreement on behalf of all departments and agencies within the Executive Branch. With a staff of 2, OER is also responsible for the State's Equal Employment Opportunity ("EEO") policy implementation; training and counsel; investigating the more serious allegations of misconduct; and conducting management reviews in situations that warrant such reviews.
 - Major Functions and Responsibilities
 - Negotiates all collective bargaining agreements (there are seven) every other year on behalf of the administration
 - Develops and executes employee relations policies, objective and strategies in a manner which is consistent with the Governor's overall objectives
 - Administers and interprets collective bargaining agreements for the benefit of state departments and agencies
 - Represents state agencies in grievance arbitrations, bargaining unit determinations, and prohibits practice complaints
 - Coordinates and compiles data necessary to the collective bargaining process and its implementation
 - Provides technical advice and training to state agencies for implementation and administration of collective bargaining agreements
 - Drafts statewide EEO plan and advise EEO Officers in the field
 - Investigates serious allegation of misconduct and provides guidance to HR professionals in the Service Centers on personnel investigations
 - Conducts management reviews commissioned by department heads and recommends follow-up course of action
 - Established Priorities
 - Maintaining effective labor relations with state employee unions
 - Providing top-notch representation of state managers in grievances
 - Collaborative working relationship with HR professional in the Service Centers
 - Advising HR professionals and managers as issues arise in the workplace
 - Selected Accomplishments
 - Negotiated successor collective bargaining agreements every other year in increasingly difficult budgetary times
 - Prevailed in the majority of disciplinary discharge grievance arbitrations
 - Improved the grievance and arbitration process by streamlining some of the systems and reducing the length of hearings in the majority of cases
 - Continues success of an expedited arbitration process with MSEA, the State's largest union

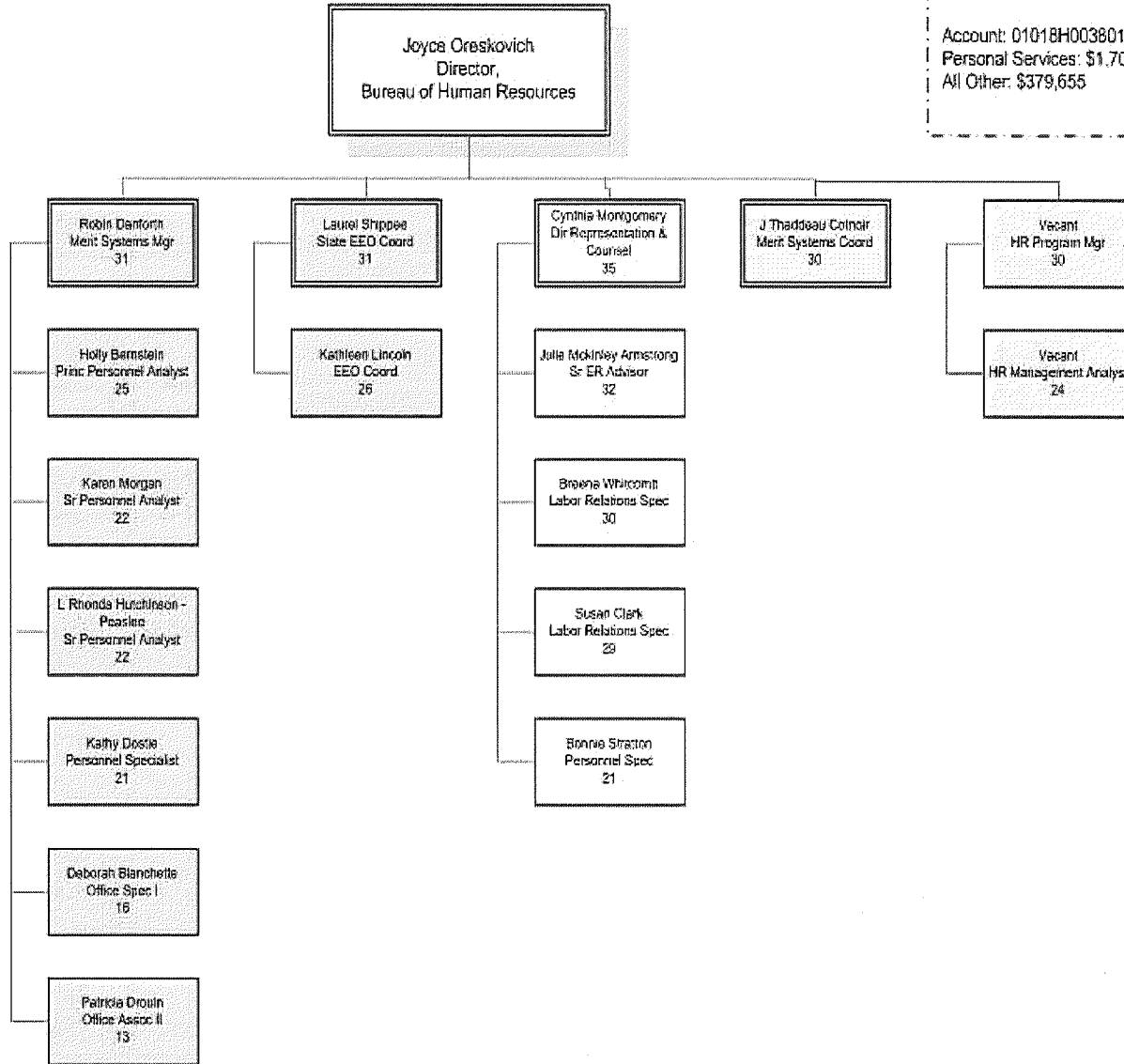
- Provided advice and counsel to HR professional on a moment's notice as problems arise in the workplace, regardless of a reduction in staff and increasingly complex workplace situations
- Constituencies
 - OER is the Governor's designee in employee relations, and it advises and represents the managers and supervisors in state government.
 - Provides counsel and training to HR professionals in the Service Centers
- Office of Employee Health and Benefits, which is within the jurisdiction of the Joint Standing Committee on Insurance and Financial Services and will therefore not be included in this report.

EMERGING ISSUES & FUTURE GOALS

- BHR faces significant immediate challenges. One of BHR's primary statutory duties is to ensure that the State's managers are provided with the skills and knowledge needed to manage people effectively. In early 2011, BHR's Training and Organizational Development Unit (of six employees) was disbanded due to severe budgetary shortfalls. The dedicated revenue account established by the Legislature to fund the Unit experienced continual and sustained shortfalls as department experience cuts to their training budgets over the most recent fiscal years. BHR need to develop an entirely new training delivery model within its current resources that will provide this critical training at little or no cost to departments statewide.
- BHR is responsible for leadership in the recruitment and retention of highly qualified and motivated employees. The State's ability to maintain a stable, productive and content workforce in light of the anticipated significant number of retirements of experienced and knowledgeable employees, and in light of the poor economy which limits the State's ability to offer remunerative incentives, is significantly challenged. Most departments report difficulty in filling positions due to pay. BHR must approach these recruitment and retention issues with innovation and due diligence.

Bureau of Human Resources
11/01/2011

Account: 01018H003801
Personal Services: \$1,702,881
All Other: \$379,655



BUREAU OF THE BUDGET

The Bureau of the Budget provides central budget and position planning and control in support of gubernatorial objectives and legislative intent. This purpose represents a balanced approach for carrying out the initiatives of the Executive Department within the limits of legislative oversight to achieve the most effective outcomes within available budget resources. The powers and duties of the Bureau of the Budget are detailed in Title 5, § 1662 *et seq.* The Bureau has a legislative headcount of 13, with 12 funded by the General Fund and one by the Highway Fund.

MAJOR FUNCTIONS AND RESPONSIBILITIES

- Ensure compliance with all requirements reflected in 5 MRSA chapters 145 and 149 as well as numerous other sections of statute that require the State Budget Officer to make recommendations or take other actions.
- Prepare and submit biennially to the Governor or the Governor-elect a State budget document in accordance with 5 MRSA §1664 and §1666.
- Examine and recommend for approval the work program and quarterly allotments of each department and agency of State Government before the appropriations or other funds of such departments and agencies become available for expenditure in accordance with 5 MRSA §1662 sub-§2 and §1667.
- Examine and recommend for approval any changes in the work programs and quarterly allotments during the fiscal year in accordance with 5 MRSA §1662 sub-§3 and §1667.
- Constantly review the administrative activities of the departments and agencies of the State, study organization and administration, investigate duplication of work, formulate plans for better and more efficient management, and report periodically to the Governor and on request to the Legislature in accordance with 5 MRSA §1662 sub-§4.
- Make rules and regulations, subject to the approval of the Commissioner of Administrative and Financial Services, in accordance with 5 MRSA §1662 sub-§5 for carrying out State budget laws. Consider rules and regulations proposed by agencies related to housing and food supplies in accordance with 5 MRSA §8-F.
- Administration of the hiring freeze process identified in Executive Order 07 FY 11/12.
- Provide access to budget management system data to the Office of Fiscal and Program review in accordance with 5 MRSA §1667-A.
- Administration of a temporary curtailment of allotment in accordance with 5 MRSA §1668.
- Recommend transfers from available balances in the General Fund Salary Plan and Highway Fund Salary Plan programs to meet the fixed obligation of these funds for the Unfunded Actuarial Liability ("UAL") in each fiscal year in accordance with 5 MRSA §1676.
- Pursuant to Title 5 §1710-E serve as a member of the Revenue Forecasting Committee.

- Serve as a member of the Contract Review Committee in accordance with Executive Order 7 FY 94/95.
- Administration and transfer of savings related to the Voluntary Employee Incentive Program continued in PL 2011 Chapter 380, Part D.
- Provide staff and other support in a variety of areas, including but not limited to system development (e.g. Budget & Financial Management System, HR/Payroll System), ARRA funds and various committees and task forces (e.g. streamlining).

ESTABLISHED PRIORITIES

The Bureau has four primary responsibilities (priorities) which include the following: budget planning and control, revenue forecasting, position planning and control, organizational and management systems analysis. Biennial budgets are analyzed, planned, controlled and submitted to the Legislature for appropriation or allocation by three line categories: Personal Services, All Other and Capital Expenditures. Approved budgets are controlled on a fiscal year basis by quarterly allotments in accordance with the line category appropriation or allocation with allotment revisions by budget order or financial order. Expenditure and revenue forecasting is carried out through the State Budget Officer and as a result of analysis from budget staff. The position control unit consists of two individuals responsible for reviewing and implementing all position actions for all of State Government (approximately 14,000 positions). Positions are controlled according to legislatively authorized head count, appropriations and allocations and limitations on the use of salary savings during a fiscal year.

SELECTED ACCOMPLISHMENTS

- Received the John E. Burton award from the National Association of State Budget Officers for outstanding contributions to public budgeting and management in state government.
- Completed implementation of the Budget and Financial Management System ("BFMS") providing budget functionality that permits budgeting at lower levels, allocation of position costs across programs, dynamic and detailed forecasting of position costs, integration of strategic planning and performance measurement data, tracking of legislation with fiscal impact, annual budgeting capability, and electronic transfer of data and capital budget capability for future enhancement.
- Implemented new functionality in the Budget and Financial Management System that allows technology services to be budgeted and tracked at the detail service and application level.
- Recognized significant savings from changing the manner in which the Governor's budget bills and budget overview are produced and distributed.

AGENCY COORDINATION EFFORTS

- The Bureau of the Budget worked with the legislative Office of Fiscal and Program Review ("OFPR") and the Revisor of Statutes to provide budget data in an electronic format for uploaded to a legislative database that is used produce budget bills and other reports containing budget data provided to the various legislative committees. The transmission of data in this manner has significantly reduced the amount of time and effort required by the legislative staff to produce the necessary documents.
- The Bureau of the Budget worked with the Office of Information Technology to develop an IT Subschedule in the Budget and Financial Management System that could be used by agencies to develop technology budgets at the detail service and application level. The subschedule provides decision makers with a better understanding of the cost of technology across programs and for all funding sources and will allow for the tracking of planned to actual consumption of technology services.

CONSTITUENCIES, STAKEHOLDERS AND CONTACTS

- The Governor's Office and all agencies of the Judicial and Legislative Departments, including but not limited to the Office of Fiscal and Program Review and the Office of the Revisor; all agencies of the Executive Departments, including miscellaneous boards and commissions and quasi-state agencies; the public and the National Association of State Budget Officers.

ALTERNATIVE SERVICE DELIVERY EFFORTS

- Historically the Bureau provided agencies with biennial and supplemental budget recommendations to allow them to produce reports in a format specified by the Legislature in advance of public hearing. While some of the information was provided in an electronic format much of it could only be provided non-electronically. The implementation of the Budget and Financial Management System (BFMS) allowed all of the required data to be extracted and send to legislative fiscal staff in an electronic format, eliminating the need for agencies to submit 40 copies of each baseline and budget initiative package.
- Bureau staff recommended a change to the budget format that was subsequently adopted by the Commission to Reform the State Budget Process. The new format combined the Part I (current services) and Part II (new and expanded) budgets into a single budget bill format and allowed the Bureau to eliminate a large section of the budget document that contained duplicate information. Rather than producing numerous printed copies, the draft bill and Governor's Budget Overview were distributed in CD format and posted to the Bureau's website. These actions resulted in \$10,000 in savings from reducing the size of the document and reducing the number of printed copies.
- Beginning with the Maine State Government Annual Report for fiscal year 2010-11 the Bureau has reduced the number of printed copies to the amount required by law and historically purchased by the public. Agencies were instructed to access the Annual Report electronically on the Bureau's website.

EMERGING ISSUES & FUTURE GOALS

- Zero-base budgeting Effective with the 2014-2015 biennium agencies are expected to develop budgets starting from the zero-base. Utilization of this approach for planning and decision-making will significantly increase the amount of time required for review and recommendation of agency budgets by the Budget Analysts.
- Federal budget deficits: As the government works to address the federal deficit and make investments in job creation and economic growth it is expected that state government will experience significant reductions in discretionary funding and the possible elimination of low-priority programs.
- Systems development: The human resource / payroll system supporting state government is outdated and in need of replacement. This system is used by the Bureau to comply with requirements related to position control. Position and employee data is used to calculate baseline personnel services budgets. The Bureau will need to dedicate staff resources to this project in order to make sure that all requirements are met while at the same time continue to address current workloads in order to meet statutory deadlines.
- Access to budget data: The Bureau does not have access to an ad hoc reporting tool for biennial budget data and ability to respond to requests for information is limited to specific staff as a result. In addition to securing an ad hoc solution for reporting of budget data the Bureau intends to make more data available to the public through the web in order to reduce the number of requests for information.
- Staff resources: During the past year the Bureau was significantly impacted by the retirement of long-time staff members. This places additional pressure on new staff to address issues without having the benefit of years of experience and first-hand job knowledge that is gained over time.

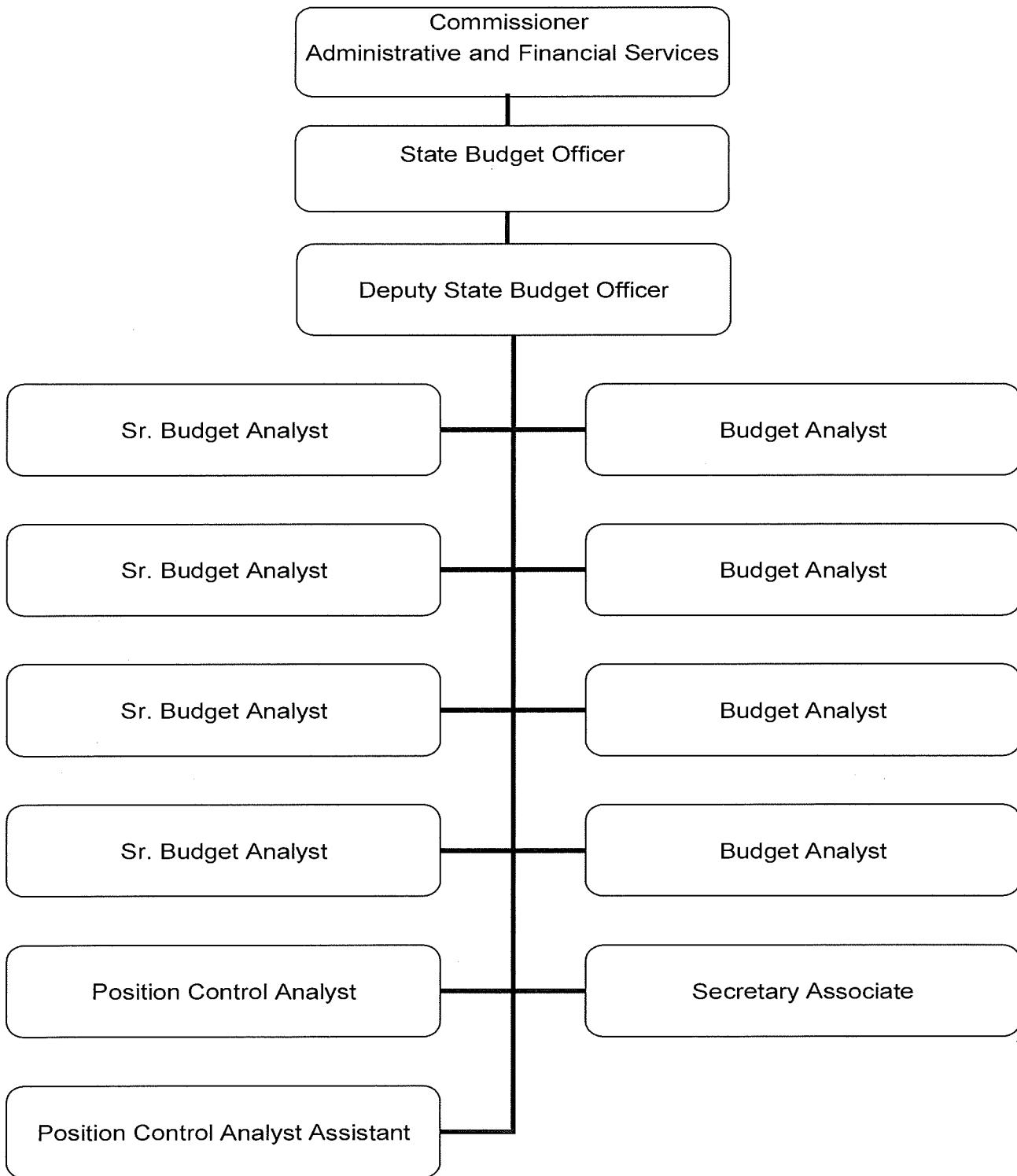
PERSONAL INFORMATION

- Internet / Non-electronic: The Bureau makes every effort to safeguard the use, dissemination, and disposal of personal information. The Position Control unit is currently the only unit within the Bureau that utilizes materials containing personal information, including employee social security numbers, on a regular basis. The information is kept in secure files and outdated reports are shredded.
- Information Technology: With the exception of employee name, no personal information is contained in the Budget and Financial Management System.
- Choice/Access/Integrity/Enforcement: Not applicable. While the Bureau has access to personal information on-line and in non-electronic forms we are not directly responsible for the collection of personal information.

REQUIRED REPORTING

- Pursuant to 5 MRSA §§43 to 46, produce the Maine State Government Annual Report by December 31st of each year. This report documents the administrative and financial structure, activities and accomplishments of the agencies of the State Government and replaces a profusion of costly annual or biennial reports independently published by state departments and agencies.
- Prepare and deliver a report by September 30th of each even-numbered year containing a forecast of revenue and expenditures for the following biennium in accordance with 5 MRSA §1665, sub-§7. The forecast assumes the continuation of current laws and include reasonable and predictable estimates of growth in revenues and expenditures based on national and local trends and program operations.
- Report biennially to the Legislative Council on rules and regulations adopted by state departments and agencies related to the provision of housing, food and food supplies in accordance with 5 MRSA §§8-B – 8-F.
- Report on federal mandates to each member of the Legislature and to the Director of the Office of Fiscal and Program Review by January 1 of each year in accordance with 5 MRSA §1670.
- Pursuant to Title 22 §1668 report annually by May 15th to the Committee on Appropriations and Financial Affairs on allocation adjustments to programs that receive funds from the Fund for a Healthy Maine.
- Provide other reports to the Legislature as required in various laws (e.g. reports transferred amounts related to various savings initiatives).

BUREAU OF THE BUDGET ORGANIZATION CHART



OFFICE OF INFORMATION TECHNOLOGY

In January 2005, The Office of Information Technology ("OIT") was created by Executive Order, consolidating functions, staff, and equipment from the Bureau of Information Services (BIS) and all Executive Branch Agencies. The consolidation was done primarily to promote State-wide information technology solutions and use of information efficiently across government. Cost containment and savings were anticipated over time. Since the consolidation, OIT has been delivering the full range of technology services to the Executive Branch, and selected services (such as e-mail and network support) to non-Executive Branch agencies.

MAJOR FUNCTIONS AND RESPONSIBILITIES

The Chief Information Officer (Title 5, § 1971 *et seq.*) directs, coordinates, and oversees information technology ("IT") policymaking, planning, architecture and standardization throughout state government. The Chief Information Officer ("CIO"), as head of OIT, provides the central leadership and vision in the use of information and telecommunications technology on a statewide basis; sets policies and standards for the implementation and use of information and telecommunications technologies; develops and supports IT-related legislation; identifies and implements information technology best business and project management practices; and facilitates research and development activities to identify and establish effective information technology service delivery. The CIO is also statutorily directed to sit as a board member on the InforME Board, the Maine Library of Geographic Information Board, and the ConnectME Authority Board.

ESTABLISHED PRIORITIES

- Online Government: Since its creation, OIT has played a central role in the State's efforts to use the Internet to deliver government services. OIT provides the direction and infrastructure support needed by State agencies to take government online and make it less expensive, more effective, and better able to meet the expectations of the public. Agencies provide electronic services to the public either directly through OIT or indirectly through InforME, a public/private partnership. Whichever the case, the CIO's policy and planning efforts provide the leadership and vision needed to maximize the State's investments in eGovernment, and to present to the public a unified and consistent web presence. The CIO serves on the InforME Board and provides staff that facilitates the Board's efforts, coordinate agency activities, and manage the InforME Network Manager Contract. See the Online Services section of the Maine website at: http://www.maine.gov/portal/online_services/.
- Maine State Communications Network (MSCommNet): The purpose of MSCommNet is to replace seven disparate, inconsistently reliable land mobile radio systems operated by individual State agencies with a consolidated, standards-based, land mobile radio system, compliant with the standards of the Federal Communications Commission (FCC) and serving all State agencies. In June 2009 OIT engaged Harris Corporation as the system integrator to design and deploy the new radio system prior to the FCC's January 1, 2013 mandate. This \$55 million effort is scheduled to be completed by October 2012. For more on the MSCommNet project, see www.maine.gov/mscommnet.
- Wireless Service Expansion: Mobile employees and technology advances are driving the need for increased wireless connectivity. To this end OIT has a strategic vision to expand the availability of

wireless access at its State offices. In addition to secure access to State information assets for State employees, an open unsecured wireless public option is generally available for citizens and customers visiting State offices.

- Achieving Economies through Server Consolidation and "Virtualization": One of the major goals of the consolidation begun in 2005 is the standardization of server platforms. OIT has made significant strides in this area through the use of virtualization tools and working with our private partner, VMWare. OIT has been able to achieve a virtualization ratio of 16 to 1. What this means is that for every 16 physical servers we once had, we have been able to perform the same level of work and support on only one physical server operating as 16 "virtual instances." The numerous benefits of this approach include reduced overall operating costs, enhanced scalability, reduced server setup time, improved business continuity, and better security. OIT has made significant progress reducing the hundreds of Windows-based servers used by the State, and is also looking at opportunities for virtualization in the Unix server environment.
- Application Systems: OIT is taking a strategic approach at leveraging existing investments in applications, the most expensive aspect of IT services, and in making intelligent investments in applications going forward. This past year, OIT has implemented the IT Product Acquisition Policy requiring an evaluation that includes: first, re-use of existing systems wherever possible; second, procure systems that have already been developed and will meet the business need (often called COTS or Commercial Off-The-Shelf software); and third, to develop a custom solution if no other option exists. This policy extends IT resources beyond the bounds of application teams supporting specific agencies, as in the old pre-2005 IT State IT model and allows the IT community to look State-wide for business solutions for the agencies.

To assist in this effort, OIT has created an application inventory, documenting the IT systems in the Executive Branch, the high-level business needs they meet, the data they pass to each other, the technologies utilized to develop them, and the business areas they serve. This inventory allows OIT to identify opportunities for shared usage or re-use of existing systems. For example most recently, an existing licensing system was used to quickly implement a Medical-Marijuana facility certification system. This solution was similar in functionality to a special purpose standalone system, but because it leveraged an existing application framework, it could already share data with several other applications at no additional cost. Sharing systems also keeps the costs of managing applications down because they can share hosting environment as well.

Similarly, OIT is continuing to consolidate applications that serve other business functions common to multiple State agencies. These include:

- Licensing and certification
- Document management and imaging
- Common clients and common providers (using the business driver provided by the Health Information Technology (HIT)/ Health Information Exchange (HIE) federal directives)
- Common financial data-warehousing
- Geographic information systems (GIS)
- Human resource and payroll systems

In addition, investing in business intelligence tools promotes easy access to information, and an easy-to-view dashboard for business operations. These dashboards, with "drill-down" capability, are either in place or being further developed for the Department of Transportation, the Department of Labor, and the Department of Health and Human Services.

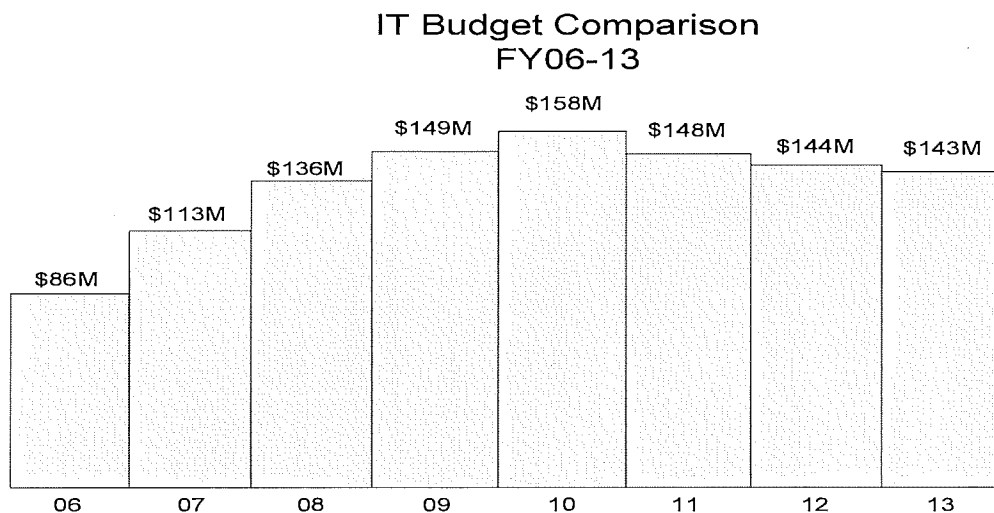
Given that funding for investment in new or improved systems and infrastructure is increasingly difficult to obtain, commitment to delivery of properly scoped projects both on time and within budget is even greater. To that end, OIT is placing more emphasis on promoting project management and its value, as well as enhancing, where appropriate, project management skills among OIT staff and individuals elsewhere in State government who function, even occasionally, in an IT project management role. Also planned is increased focus on useful metrics to demonstrate the effectiveness of project management, as well as a system for improved reporting of individual projects.

OIT has developed a strategy for budgeting and managing applications at the system level. Included in this is a consistent definition of what application management consists of. This is used as the basis for costing out systems, delineating between keeping the lights on (including keeping current with technology), as well as new development efforts.

When referring to "budgeting by the application," OIT is working to ensure that the entire cost of an application is assessed (people, contractors, services, software licenses, network, data centers, etc).

BUDGET

- State of Maine's IT Budget: The chart below shows the State IT budget since FY 06. During this timeframe, the IT budget represented on average 2% of the total State budget. This trend shows the results of more accurate means of identifying IT costs.



In 2006, IT personnel were employees of the individual departments and as such would not have been recognized in the State's budget system as IT expenditures. Beginning in FY07, IT personnel

were consolidated into the Office of Information Technology (OIT) pursuant to Public Law 2005 Chapter 12 Part I. Agency IT budgets were increased to reflect amounts previously budgeted as personnel services prior to consolidation, allowing agencies to pay OIT for technology services. Beginning in 2009, the budget reflects the full impact of consolidation including the consolidation of copy center services into OIT. Though technology rates were reduced in 2010-2011 as a result of shutdown days, etc., amounts previously budgeted under 5500 equipment were moved under 5300 to allow technology equipment to be segregated from all other non-capital equipment. Additionally, contracts with IT vendors were moved from Professional Services not by State to Technology. With the implementation of detailed IT budgets within the Budget and Financial Management System (BFMS), the State will continue to improve its understanding of where IT dollars are being invested.

- Technology as an Investment: Greater investment in technology has yielded positive returns-on-investment, transforming business processes, increasing internal efficiency, improving services to citizens, and saving program dollars. The attached case study highlights what Maine Revenue Services (MRS) has done specifically to transform business processes, increase internal efficiency, improve services to citizens, and save money. For the MRS-specific article highlighting how they have used technology for a positive return-on-investment, see:
http://www.maine.gov/tools/whatsnew/index.php?topic=oit_news&id=90773&v=article.

AGENCY COORDINATION EFFORTS

- The Office of Information Technology (OIT) provides IT support for all Executive Branch Agencies. This includes providing computer equipment and software, network support, e-mail services, and application systems development and maintenance.
- In addition to support of all Executive Branch Agencies, details on two external initiatives OIT is involved with (NetworkMaine and ConnectME Authority for expanding broadband access) are described below:
- NetworkMaine: In 2009 OIT, Maine State Library, Department of Education, and University of Maine System formed the NetworkMaine consortium to serve the consolidated needs of the major public sector network entities. These needs and goals included increased bandwidths, new technologies, and overall better value service. The result of this effort is the nearly complete upgrade of the Maine School and Library Network (MSLN) and the beginning of the Maine State government network upgrade. These two networks together serve over 1,000 State offices, schools, and libraries state-wide.
- Broadband: Maine's ConnectME Authority is an independent entity created to provide broadband access in the most rural, un-served areas of the State with the goal of stimulating private investment in technology infrastructure. Maine's broadband infrastructure (that is, cable television services and high-speed access to the Internet through cable and telephone service providers) and acceptance and utilization rates where broadband is available, are less than the national average. Economic reports indicate that for every one percentage point increase in broadband penetration in a state, employment is projected to increase by 0.2 to 0.3 percent per year.

The ConnectME Authority is governed by a five-member Board consisting of three private sector members and two public sector members, one of whom is the CIO. The Authority does not receive General Funds. It uses other dedicated state and federal funds along with private sector dollars to award grants to expand affordable broadband service. The Authority is recently completed a fifth round of grant funding.

Maine has received federal funding awards for five public and private broadband-related projects totaling over \$42.5 million in grants that resulted in over \$55 million in new projects and investment. For example, the Authority received \$5 million to map and plan broadband expansion. The mapping identifies schools, medical offices, small businesses, and homes to show where broadband is available and, more importantly, where it is not. The grant then provides funding to link private and public partners to upgrade internet service for initiatives such as tele-health, business expansion, and education. Also, the Authority supported the successful \$25.4 million federal grant, called the "Three Ring Binder" Middle Mile Project, awarded to a private company (Maine Fiber Company) to connect and expand high-speed Internet service to rural areas of the state. These grants are bringing broadband services to many new areas of the state and providing benefits to the health, education, and economic sectors. For more on Maine's ConnectME Authority and broadband service in Maine, see: www.maine.gov/connectme/.

CONSTITUENCIES, STAKEHOLDERS AND CONTACTS

OIT provides IT support for all Executive Branch Agencies. This includes providing computer equipment and software, network support, e-mail services, and application systems development and maintenance. Constituencies outside the Executive Branch Agencies include the Secretary of State's Office and law enforcement entities.

ALTERNATIVE SERVICE DELIVERY EFFORTS

- Only a robust public/private relationship will allow OIT and the State to accomplish all the information technology work that needs to be done. To meet the growing demand for technical services, we have developed business partnerships in many areas. For example our server virtualization included contracting with VMware to assist us during the implementation phase of our project. VMware provided experienced staff that had done this work before, and provided direction and training for the project. Our technicians have been doing the bulk of the work, and our project managers have been managing the project. The project has gone well, with a great deal of success and minimal setbacks. As we finish the implementation phase and enter into the more stable maintenance and operations phase, our technicians will have been trained and will possess the necessary skills to support the new environment. As we continue expanding the virtual operating environment, we can make adjustments to the system as necessary and with a high degree of confidence.
- The public/private relationship also allows us the opportunity to explore outsourcing of individual applications or services as an option within our business model. There are several areas within our organization that we are currently exercising this option. For example to provide network services State-wide requires a robust public/private relationship. The State currently has contracts with

several business partners (Fairpoint, Oxford Networks, Verizon, and others) to provide connectivity via Ethernet over Copper (EOC), fiber, and dark fiber that enables State entities to exchange data State-wide on a robust, secure, and reliable network. This relationship also opens several business options and opportunities to partner with all county and municipal governments providing a more robust infrastructure at a shared cost.

- Key applications that have been outsourced for efficiency included the Medicaid Management Information System (MMIS). This system was implemented to process Medicaid and MaineCare claims from providers and hospitals. Called MIHMS [Maine Integrated Health Management Solution], this was implemented in September 2010. The implementation was successful in large part because of the lessons learned from the 2005 deployment of MECMS [Maine Claims Management System], which was the predecessor system to MIHMS. The improvements included better project management, better testing as required by OIT's, Application Deployment Certification Process.
- The State entered into a contract with CGI for managing AdvantageME, the State's key financial system. The system was recently migrated to be hosted at CGI's data center in Phoenix, Arizona. This application supports the State's Accounts Receivables, Accounts Payables, General Ledger, and Procurement functions.
- Another example of outsourcing to take advantage of private sector expertise is the Maine Revenue Integrated Tax System (MERITS). MERITS was planned and executed as a multi-phased, 3½-year project to migrate the legacy mainframe-based integrated tax system to a new platform and code base more capable of quickly adapting to the State's ever-changing tax laws and regulations. The MERITS project reengineered the legacy tax system rooted in old technology, to a modernized system designed to use newer, less costly technology. The project involved partnering with an experienced software development and integration firm, Revenue Solutions Incorporated (RSI), to migrate system components to a new technology platform in a logical, phased approach. Major activities included:
 - Development of a modern, multi-tiered architecture that supports a modern distributed application
 - Separation of the legacy, monolithic application architecture into distinct presentation, business logic, data access and database layers.
 - Transformation of more than 250 CICS, mainframe greens screens into modern, browser based graphical user interface.
 - Translation of 250 online and 200 batch applications containing more than 3.5 million lines of COBOL into Java.
 - Migration of the database from DB2 to Oracle and preservation of all historical data, which included more than 750 million records.
- Overall, OIT has several contracts with a host of business partners (including CGI, EMC, Fairpoint, InforMe, Microsoft, Molina, Numara, Oracle, VMWare, and other business partners) that promote the public/private relationship needed to build a robust and cost effective system that meets the increasing needs and demands being placed on technology. As an integral part of our business philosophy, OIT continues to evaluate when and how we can adopt outsourcing as a viable solution to meet the business needs of our customers.

EMERGING ISSUES & FUTURE GOALS

- Maine State Communications Network (MSCommNet): Work on the MSCommNet project is scheduled to be completed in the first half of fiscal year 2013. MSCommNet will replace seven disparate and increasingly unreliable agency land mobile radios systems with a consolidated, standards-based, FCC-compliant, public safety grade land mobile radio system serving all State agencies. For more on MSCommNet, see www.maine.gov/mscommnet.
- Network: As State agencies expand their use of IT to accomplish the business of State government, the IT infrastructure needs to be able to meet the growing demand for capacity, reliability, and security. Specific areas targeted include:
 - Expanding network capacity to accommodate increased data traffic volumes.
 - Improving network fail-over capacity, to ensure continuity of service and to minimize disruption to State government business functions and citizen services.
 - Increasing remote access capacity, to support working from home and off-site.
 - Enhancing network security to ensure the integrity of the State's IT assets.
- Application Hosting Support: Significant progress has been made consolidating and virtualizing the hundreds of Windows-based servers that OIT supports. Going forward, OIT plans a similar effort for the Unix servers that host applications and the Oracle database environment. Clustering and virtualization of these servers will provide greater stability and availability of the mission-critical systems and services running on these platforms. Other long term benefits include reduced overall operating costs, enhanced scalability, reduced server instance setup time, improved business continuity, and better security.
- Incident Reporting Policies and Procedures: Incidents are occurrences of problems affecting the hardware infrastructure or software applications that require corrective intervention by an OIT professional. OIT is in the process of aligning its existing major-incident reporting procedure with an Information Technology Infrastructure Library (ITIL) framework. This framework will ensure that incident reports are reviewed and approved by senior management, will allow for the regular reporting of all major incidents, as well as the status of follow-up action items identified in the incident report. This will be consistently applied across all OIT areas.
- Physical Security and Inventory Control: Build Center access controls and inventory procedures continue to be refined. The keys to improved inventory control include: limited access to inventory and the use of a robust inventory management database system to track deployment and use of OIT assets. The following control strategies are now being implemented or are planned for the immediate future:
 - OIT has assigned a technician to ensure that inventory is reviewed and reconciled on a daily basis;
 - OIT will acquire an enterprise inventory asset management system capable of tracking PC assets, as well as other billable assets. This system will integrate with the Human Resources (HR) system and the OIT billing system to improve the quality and integrity of the data;
 - Key-card access will be limited to a fewer number of people having a specific need to access the inventory; and,

- Inventory will be tracked from acquisition through its final disposal through the Surplus Property System to insure that "surplussing" of OIT physical assets occurs only at the end of useful service life.
- Data Security: Threats to data security will remain a serious challenge for years to come given the number and sophistication of hackers that continually probe industrial, commercial and governmental data systems for vulnerabilities. OIT must take steps to adequately address these threats, including:
 - The Applications Group must complete the process of designating a security officer for each major application;
 - OIT must assign a security officer to be responsible for compliance with external Federal security requirements (IRS, FBI, HIPAA, for example), and those requirements must be thoroughly documented;
 - OIT has developed a security awareness and training program which has been required of all OIT staff since FY2011. This training, however, is not currently required of other agencies (although some are bound by Federal training requirements), but ought to be available for non-OIT personnel as well; and,
 - The Core Technology Systems (CTS) specialist must expand and improve upon the process of scanning servers for known vulnerabilities. These scans reveal a range of threats from 'false positive' to 'severe' and must be evaluated and managed according to the nature and severity of the detected threat. CTS must add threat remediation to the daily work schedule.
- Business Continuity and Disaster Recovery (BC/DR): OIT must develop a high-level plan to manage the restoration of OIT services in case of a disaster or other significant interruption of service. This plan must include steps to restore critical command, control and communication links; access to critical services and databases; and procedures to guarantee the continued integrity of critical state data.
- Resource Management: OIT has made solid progress tracking employee time and the scheduling of work and projects. The Time and Attendance Management System (TAMS) is being used by employees, allowing sufficient granularity to relate employee time working on a task with project work accomplished for billing and management purposes. This process was initiated for the Applications Group and for the Project Management Office this past July. The OIT Core Technology teams are now also using TAMS to track time relative to their operational areas (server, network, etc.), and relative to project work. The next step is to use the acquired data to better understand how OIT employees use their time, developing metrics to assist management in assigning work.
- OIT Billing System: OIT sets rates for IT services and bills the agencies according to their consumption of services. Based on the requirements of the agencies to provide complete detail of all charges, the task of reviewing this detail and allocating the costs to the appropriate agency programs/accounts by the Service Centers can be very time consuming. Additionally, due to the volume of detail, errors may be found on the bills that require research and adjustments. DAFS has contracted with the CPA firm Berry Dunn to review the Billing Systems within OIT and the systems used by the Service Centers They will then recommend potential changes that would result in more accurate billing and a better understanding by the Service Center and the agencies where these charges should be allocated.

- Project Management: In 2006, OIT adopted the so-called 'Ten Step Process' as an integral part of its Project Management Standards designed to require that all projects have certain specified documents and standards in place. Nevertheless, there remains a considerable amount of work that must be done within the Project Management Office. Lists of projects and the status of each are not easily accessible; PMO managers do not regularly update internal project records to reflect ongoing progress; and the PMO Dashboard is consequently not up to date. Effective project management is crucial to efficient and cost-effective performance, and to achieving acceptable levels of customer service and satisfaction. In order to improve the performance of the Project management Office, OIT will:
 - Review and enforce the implementation of the 'Ten Step Process';
 - Review the performance of the PMO and PMO personnel assignments with a view to making needed structural and organizational changes;
 - Restructure the relationship between the PMO project managers and the agencies in order to facilitate better coordination and communication between them as projects are conceived, planned and implemented;
 - Develop a reliance on MOUs between the PMO and the agencies to spell out expectations, costs, scope of work, and to minimize change orders; and
 - Insure prompt and accurate updates to project status reports and to the PMO Dashboard.
- Financial and Purchasing Controls: An improved method to tracking and reviewing telecommunications bills could possibly save the State of Maine as much as \$100,000 per year in overcharges. An automated inventory/invoice tracking system would relate actual usage, user agreements and contracts, rates and other variables, all of which is extremely time-consuming and difficult when done manually.
- Security Audit Logs: The security audit logs are an important tool by which the Enterprise Security Officer is able to identify threats to Internet e-Mail and data security. However, they generate many gigabytes of data per hour. This volume of incoming log traffic is so immense that it is nearly impossible to analyze it in real-time, making the OIT process of analysis *reactive* rather than *proactive*. Data analysis tools capable of near-real-time inspection of the security audit log data stream would identify threats as they appear, limiting the probability of damage to critical systems or databases.
- Cloud-based Desktop Application Delivery: OIT will modify the current Microsoft Enterprise Agreement that currently commits the State to the full Microsoft suite of desktop application software, such as Word, Excel, PowerPoint, Outlook, etc. The State will leverage its existing licenses in the current suite of Microsoft products through the next biennium, during which time OIT will evaluate emerging cloud-based desktop application delivery alternatives. These alternatives to be evaluated will include Google Apps and Google Mail, Microsoft 365, and similar cloud-based applications from IBM and other qualified vendors. It is anticipated that OIT will issue an RFP that specifies performance, volume and security requirements, among other things. The promise of cloud-based application services is to free OIT from many application management, upgrade and deployment expenses, as well as to allow the use of less-expensive desktop or portable systems without sacrificing functionality. The estimated annual savings starting in FY13 is \$468,049 for the General Fund.

- Cloud-based Storage and Archiving: Cloud-based data storage and archiving promises to greatly reduce the cost of user file storage. This will be a critical response to the cost growth caused by the rapidly-increasing consumption of storage capacity in response to the continuing accumulation of files and data on state systems. The concept is that all user files over a certain age will automatically be archived in a low-cost non-consumption-based service based upon cloud technology. Users would still have immediate access to the archived files as required for business purposes. OIT will be able to right-size the amount of high-availability fast storage needed to support currently active files. Preliminary estimates of possible annual savings starting with the rates established for FY14 is \$150,000 to \$250,000 (all Funds). This is based on projected estimates of excess storage consumption by the agencies, utilizing budget figures for the current biennium. One current offering from Google establishes its pricing *by time in storage* rather than *by volume of data* (the rate is now quoted as \$45 per person per year). This strategy decouples *volume* from *cost*, making this structure potentially very attractive for state government. OIT will issue an RFP seeking proposals from any vendors capable of providing this service and able to meet the necessary security and data access requirements.
- Data Center Right-Sizing: As OIT relocates its primary data center from leased space on Edison Drive to a state-owned facility at 19 Union Street, it will leverage emerging technologies to reduce its footprint size and limit electrical power consumption. This will be accomplished through the implementation of direct technologies such as in-line cooling, as well as utilizing cloud-based disaster recovery services. 'Right-sizing' assumes that some critical data will reside in both the primary and secondary data centers, but that other data will reside in only one data center, with the backup data residing in the cloud instead. This technique will, for the first time, in effect, place an upper limit on local hardware and power requirements, thus saving money. More information regarding the actual build-out cost of the data center needs to be quantified before the savings estimates in future biennia can be verified. However, the preliminary annual savings estimates are in the range of \$200,000 to \$300,000 (all Funds). This would be realized after completion of the data center and amortization of any build-out cost.
- Server Virtualization: OIT has made significant progress in virtualizing its Windows-based servers. To date, this has allowed OIT to replace 16 *physical* servers with 16 *virtual* servers operating on a single hardware server, thereby reducing long-term total operating costs. This technology also provides the flexibility to quickly set up host environments where and when needed, which can be levered to reduce total application support costs, resulting in reduced costs to the agencies. This also contributes to right-sizing of the data center, our ability to use cloud-based disaster recovery services, and reduced power consumption.
- Voice over Internet Protocol (VoIP) Services: OIT is expanding its use of VoIP to replace traditional copper-based telephone services throughout State Government. Consumers may be familiar with VoIP services now sold commercially by Vonage and many Internet Service Providers such as Verizon. VoIP technology leverages the State's IP infrastructure, including technologies such as session-initiated protocol (SIP), to provide additional user functionality at a lower cost per extension. VoIP systems now run reliably with very good frequency response, taking advantage of the greater Internet bandwidth now (nearly) universally available. Estimated annual savings based on a 15-20% per line cost reduction would result in savings of \$300,000 to \$500,000 (all Funds) per year once fully implemented. It is expected to be realized in the FY14-15 biennium.

- 'Bring Your Own Device' (BYOD): This is a shift from the use State-funded Blackberries to user-paid personal smart phones (e.g., Android or iPhone devices). The strategy is to install apps for accessing state e-Mail and messaging on personal devices rather than issue state-owned phones. This reflects the increased demand for OIT to support consumer devices, the difficulty associated with collecting reimbursement for personal use calls, and State employees not wanting to carry two phones. Assuming a reduction by 20% of the Blackberry devices in use by state employees, the preliminary estimate of savings to the state for FY14 would be in the \$100,000 to \$140,000 range.
- OIT Collaboration: Inter-governmental collaboration and the establishment of public-private partnerships can provide a cost-effective means to share resources and distribute costs. For example, the work that is being done through the ConnectMe authority is a public/private relationship that is building a high speed broadband connectivity backbone throughout our state. Not only is this link vital to the Governor's 'Open for Business' initiative, it also provides state and county governments a profound opportunity to collaborate in ways that were never before possible. Maine Government now has the ability to share real-time infrastructure services and resources back and forth through a "Public Cloud". This "Public Cloud" can contain both municipal and county governments, both of which would benefit from an IT relationship with the state. To that end, OIT has met with County Commissioners from several counties and is now in the process of setting up a series of meetings with the County IT professionals to develop a plan of action. In particular, Somerset County is taking the lead on moving this collaboration vision forward. OIT is also meeting with its counterparts from the other New England states to discuss areas of collaboration such as Business Continuity and Disaster Recovery space sharing within our respective Data Centers. Other areas of interest include consolidation, cyber security, and the use of mobile devices within the State's infrastructure.

PERSONAL INFORMATION

- For OIT Policies that apply to all Executive Branch Agencies, see: <http://www.maine.gov/oit/policies/index.shtml>.
- For a summary of implementation of IT for Executive Branch Agencies, see the OIT Annual Report at: http://www.maine.gov/oit/about/annual_reports/index.html.

**State of Maine
Department of Administrative and Financial Services
Office of Information Technology
Key Managers and Staff**

As of August 22, 2011

Office of Information Services Fund:

- Personal Services: \$47,131,357
- All Other: \$16,263,378
- Total: \$63,394,735

Positions – Legislative Count: 503.5 – 11 = 492.5

**Sawin Millett
COMMISSIONER**

**David F. Emery
DEPUTY
COMMISSIONER**

**Greg McNeal
CHIEF INFORMATION
OFFICER
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**Phillip Lindley
ConnectME**

**Judy Beloff
OIT Administrative
Staff**

**CIO Staff:
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Victor Chakravarty
Benson Dana
Paul Sandlin
Eric Stout**

**Jim Lopatosky
ASSOCIATE CIO
APPLICATIONS**

**Wayne Gallant
CHIEF TECHNOLOGY
OFFICER
(Acting)**

**David Maxwell
Director
Project Management
Office**

**Ellen Lee
Director
Finance and
Contracts**

**Dave Packard
Director
Technology Business
Consultants and
Service Management**

**Steve Campana
Director
Systems Integration
and Governance**

**Cindy Hopkins
Applications Director
For Health & Human
Services**

**Wayne Gallant
Director
Network and
Communications**

**Mary Silva
Director
Application
Hosting**

**Managers/ Key Staff:
Howard Clary
Tom Howker
Mark Toulouse**

**Technology Business
Consultants:
Sheldon Bird
Karen Curtis
Mark Kemmerle
Sandy Saunders**

**Managers:
Denise Brigham
Susan O'Connor
Mike Smith
Ann Mann**

**Managers:
Rick Hayward
Greg Schueman
Hazel Stevenson**

**Managers
and Team Leaders:
Duncan Bond
Craig Hitchings
David Plourde
Dave Rodrigue
Jeff Welsh**

**Managers:
Sharon Horne
Dawnna Pease**

**Service Management:
Leigh Wilkinson**

**Art Henry
Applications Director
for
Finance and Labor**

**Brian Guemette
Applications Director
for Land Use,
Education, Regulatory,
and Public Safety**

**Chad Perkins
Operations
Security Team**

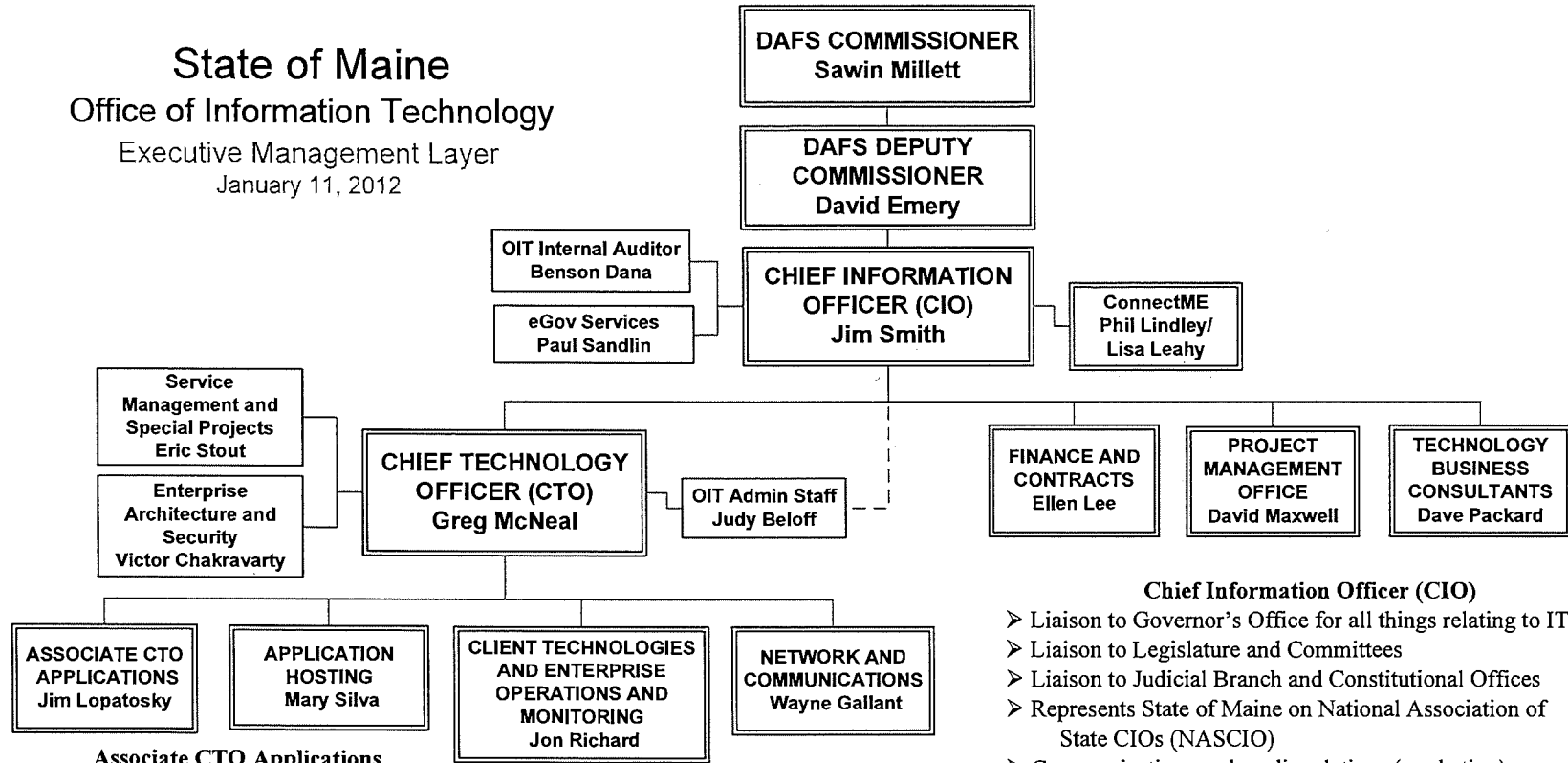
**Jon Richard
Director
Client Technologies
and Operations and
Monitoring**

**Managers:
Bob Arbour
TBD**

**Managers:
Cathy Harrison
Karin Peterson
TBD**

**Managers:
Glenn Angell
Doug Birgfeld
Eric Erskine
Henry Quintal**

State of Maine
Office of Information Technology
Executive Management Layer
January 11, 2012



Chief Information Officer (CIO)

- Liaison to Governor's Office for all things relating to IT
- Liaison to Legislature and Committees
- Liaison to Judicial Branch and Constitutional Offices
- Represents State of Maine on National Association of State CIOs (NASCIO)
- Communications and media relations (marketing)
- Policy
- Project management
- Financial management (budget and billing)
- Internal audit
- Chair or member of Boards and Committees:
 - ConnectME (Phil Lindley)
 - IT Executive Committee, Chair
 - CIO Council, Chair
 - InforME Board, Member

Chief Technology Officer (CTO)

- Associate CTO Applications**
- Development and maintenance of all agency and enterprise applications (both custom-built and commercial software)
 - State-wide strategic application vision towards common, integrated solutions
 - Standardization of common tools and practices
 - Operational budget for applications

- Represents CIO as needed
- Oversees all OIT operations
- Management of the State's IT infrastructure
- IT desktop support and customer service delivery
- Infrastructure security
- Operational budget for core infrastructure services
- Policy administration and compliance
- Strategic Planning/ Implementation
- Leads and coordinates collaborative efforts among agencies, public, and other states
- IT service management (including ITIL implementation)
- Contract management
- Enterprise architecture and security
- IT business relationship
- eGov services
- OIT Administrative Staff

OIT Areas of Focus

1-2012
Jim Smith

Project Management

- Discipline
- Timelines
- Accountability
- Budget

OIT Strategic discussion with Agencies

- Automated workflow
- Mobile tech
- Cloud
- Communication plan – OIT to Agencies

Next Generation Workforce

- upcoming 18% retirement
- review of hiring process, selection, evaluation

Efficiency / cost reduction

- Right sourcing
- Multi state development ?
- Automated Workflow
- Data storage

Critical OIT items:

- Data Center
- Business recovery / disaster recovery
- Billing Process
- Cyber security review

People, Process, Technology

BUREAU OF GENERAL SERVICES

The Bureau of General Services ("BGS") provides consolidated management and coordinated oversight for a range of property, procurement, risk management and central services to meet the operational needs of state programs and services.

The Bureau helps ensure cost-effective operations, reduces costs wherever possible in its own operations and in the operations of other departments and agencies, and protects the financial and other interests of the State and the people of Maine that fall within the Bureau's responsibilities. The Bureau's enabling or authorizing laws can be found in 5 MRSA, Chapters 152 through 156, and Federal Management Regulations Title 41, Part 102-37.

The Bureau complies with all federal and state health and safety laws, including the Americans with Disabilities Act, the federal Occupational Safety and Health Act, affirmative action requirements and workers compensation laws. State Postal Services has added data services and a video phone at its Muskie Building location to assist a hearing impaired employee.

STAFF AND BUDGET

- In total, BGS has an approximate legislative headcount of 200.
- BGS directly expended approximately \$23 million in FY11 and oversees the expenditure of approximately \$65 million or more, depending on the year, across all Departments and agencies.
- Several BGS Divisions operate as Internal Service Funds

REDUCTIONS

- BGS has reduced its overall headcount by 7 percent since FY07 through the consolidation or elimination of programs. About half the decline is from the outright elimination of positions.
- BGS, with Legislative support, also has made strategic investments, including staffing for Purchases, even amidst the overall decline in staff at that Division and across the Bureau.

DIVISIONS

BGS is comprised of six functional divisions. In addition to the Divisions, the Director's office coordinates research, policy and reporting, inter-divisional and inter-agency initiatives, various statutory stakeholder groups, public improvement projects and expenditures as authorized by the Legislature, energy procurement and market monitoring, Legislative and constituent matters, and a variety of special projects.

- PROPERTY MANAGEMENT DIVISION ("PMD") consists of 115 positions and provides maintenance service to 73 structures located on 5 campuses totaling over 2.2 million

square feet. PMD also maintains approximately 150 acres of grounds and several monuments in the Capital area.

➤ Major Functions and Responsibilities

- Provides 24/7/365 automated building environmental control, fire system monitoring, security systems control and monitoring, energy monitoring and reduction, and dispatching services.
- Performs maintenance such as grounds work, snow removal, housekeeping, boiler, electrical, air conditioning, plumbing, carpentry, painting, window maintenance and locksmith services.
- Provides for the proper and safe operation of all state-owned buildings on the 5 campuses, many of which support multiple departments and agencies.
- Estimates construction and renovation costs, executes contracts for services, evaluates divisional programs and initiates projects for the facilities in its purview.

➤ Established Priorities

- Reduce energy consumption within PMD managed facilities through conservation, enforcement of legislative mandates and implementation of energy conservation measures identified in energy audits.
- Promote the use of alternative energy within PMD managed facilities.
- Reduce our carbon footprint by energy conservation and promoting the use of alternative energy solutions.
- Enroll State facilities in ISO-NE demand response program.
- Lead the State in implementing Integrated Pest Management.

➤ Future Goals

- Post live energy data to our web site for agencies to view to raise awareness and promote participation in energy conservation goals.
- Complete the co-generation project, for which, after a successful RFP, a contract has been signed with PC Construction to design and install a Combined Heat and Power plant on the East Campus. The co-generation project will heat the buildings and produce approximately 30% of the campus's electricity. This will include a biomass boiler that can be fired with wood, oil, or natural gas, and a 375 kilowatt steam turbine. All electricity produced will be consumed on the East Campus.
- Continue to expand our Energy Manager system to allow additional curtailment enrolled in ISO-NE demand response program.
- Continue to expand the Energy Manager, EBI Security Manager, and the EBI Building Manager into other State owned and leased space facilities which will save the State money from Initial overhead of purchasing the systems, monthly monitoring fees, and energy.

➤ Selected Accomplishments

- Renovated an area and got equipment in place to provide a redundant location for the Building Control Center.
- The Division successfully placed an RFP for a full service Integrated Pest Management provider at a savings of approximately \$5,000 from the previous year's expenditure.

- Reorganized our Division to allow for a position that is responsible for Energy, Environmental, and Building Automation Services. The position tracks and reports on energy usage in our facilities, manages our participation in ISO-NE, manages the Building Control Center, and oversees our Integrated Pest Management Program.
 - The crews renovated the Central Building in Hallowell for the Natural Resources Service Center to move into when the Burleigh Complex was sold.
 - Started using B-5 bio-diesel in 2005. This coming heating season B-5 biodiesel will account for 100% of the fuel oil burned in our facilities.
- Agency Coordination Efforts

Consistent efforts are made to involve member agencies regarding their needs at the facilities maintained by the division to ensure comfortable and safe working conditions.
- Constituencies, Stakeholders and Contacts

Governor's Executive Protection Unit; Capitol Police; Legislative Director/Legislative Council; Occupant departments and agencies and their customers; Maine Historic Preservation Commission; Blaine House Commission, and the National Association of State Facilities Administrators.
- Emerging Issues

The pending installation of a new heating system with cogeneration ability for electricity at our largest campus and the imminent retirement of many experienced staff members will require new engineers with knowledge of the new technology to maintain and service the new boiler at that as well as other sites.
- PLANNING, DESIGN & CONSTRUCTION DIVISION ("PDCD") (8 positions) is responsible for the planning, design and construction administration of all of the State's public improvements and public school projects. PDCD also assists in developing long range public improvement programs for all agencies of State Government.
 - Major Functions and Responsibilities
 - Manages the procurement process for architectural and engineering contracts
 - Conducts the bidding for construction
 - Monitors construction projects
 - Prepares Capital Construction, Repairs, and Improvements list for publication in biennial budget
 - Established Priorities
 - Revise standard contractor bidding documents for construction projects
 - Revise contractor prequalification process to make the process more transparent and consistent

➤ Future Goals

- Improve methods for Architect and Engineer procurement
- Utilize cost-saving technology for Architect and Engineer prequalification listing process
- Increase focus and efforts generally on inspecting facilities and developing long-range public improvement programs for all agencies of State Government

➤ Selected Accomplishments

- Major revision and training for public improvement project notification and approval process
- Development of nationally recognized web-based project initiation database for customers
- Installation of first geothermal heating system in an executive branch facility (Skowhegan State Police Barracks)
- Contract administration of the K-12 public school construction program
- Construction, contract administration or rehabilitation of numerous state facilities, including Riverview Psychiatric Center, the Harlow building, Williams Pavilion, Bangor Courthouse, Maine Maritime Academy Student Union Addition, 19 Union Street and 242 State Street
- Roofing projects and other public improvements at many other facilities, including the complete re-wiring of the historic Blaine House and construction of new comfort stations and other improvements at state parks.
- Continual improvement of public improvement documents and client's access to those documents

➤ Constituencies, Stakeholders and Contacts

The Education, Corrections, Conservation, and Defense, Veterans and Emergency Management Departments; the Maine Community College System; the Property Management and Risk Management Divisions at BGS; Maine chapters of Associated General Contractors, Associated Builders and Contractors, American Institute of Architects, American Council of Engineering Companies, and others.

➤ Alternative Service Delivery Efforts

Administers the Alternative Delivery Method Review Panel for Construction Management and Design/Build of construction projects

➤ Emerging Issues

- Improving the processes for prequalification for professional services and for construction services
- Investigating electronic bidding

- DIVISION OF LEASED SPACE (3 positions) locates, negotiates and holds all real property leases required by all Departments and agencies to ensure those leases are to the best economic advantage of the State. The current portfolio includes approximately 224 leases for 1.54 million square feet and an annual cost of \$24.5 million.

➤ Major Functions and Responsibilities

- Serve as the central point of contact for facility leasing, with expertise and an over-arching perspective across all departments and various geographic regions of the State. Serve all agencies, including the Legislature and Judicial branches when requested. Maintains records.
- Establish standards for space use for all state facilities ensuring employee and public health, safety, security and the equitable and efficient distribution of available floor space, including common areas, consistent with cost, program and functional objectives.
- Monitor market prices for real property leases on a regional basis and establish rates to be charged to state agencies on an annual basis.
- Provide expertise and oversight for the sale of state properties and assistance with the occupancy of state facilities as each may impact the demand for leased space.

➤ Established Priorities

- Implementation of a new leasing software application (ProLease by LinkSystems) which will provide better and more reliable data on lease costs, lease budgeting, billing, space needs projections and lease evaluations.
- Ongoing effort since October 2008 to cap or reduce the cost of leased space statewide.
- Assist with the authorized sale of state properties as directed to generate budget-balancing revenue.

➤ Future Goals

- Develop a 5yr, 10yr and 15yr state space plan.
- Continue to increase the energy efficiency and use of alternative energy in Leased Space, including the conversion of the Bangor IF&W Building's boiler from oil to natural gas.
- Continue to reduce State lease costs.
- Review of leased space internal service fund fee, which has remained unchanged since 2006.
- Refine rules for sale of state property.

➤ Selected Accomplishments

- Capped or reduced the cost of all leases negotiated since October of 2008
- Increased energy efficiency requirements and use of alternative/renewable energy
- Held the division's service fee flat since July 2006
- Implemented multiple major office consolidations, including MDOT Region II office, Augusta; State Planning Office at 19 Union St, Augusta; Mid-Coast Area office for DHHS and DOL; regional office in downtown Caribou for DHHS; and 8 former MDOL sites into a single central office in Augusta.
- Achieved the sale of various state properties as authorized by the Legislature, including the million dollar sale of Freeport Town Square in Freeport and other state properties
- Competitively procured and relocated the Maine PUC to a renovated historic facility in downtown Hallowell, allowing for the renovation and re-occupancy of the PUC's former site
- Managed and improved the quality of space at the State's Bangor Campus. Work included providing contracted janitorial, HVAC Preventative maintenance, creation of the employee Wellness Center at the Pooler Pavilion; renovations to accommodate a new minimum security

Women's re-entry facility in the F-Building; the conversion of the DEP Emergency Response Building's boiler from oil to natural gas and an ongoing master plan effort for the campus.

➤ Constituencies, Stakeholders and Contacts

All State Agencies and Quasi State entities; Private property owners; Real Estate Developers; Real Estate Brokers and Agents; Office of the Attorney General

- RISK MANAGEMENT DIVISION (5 positions) minimizes or eliminates the financial and disruptive impact of sudden and accidental losses to State assets and programs including lawsuits and other similar claims using self insurance, traditional insurance, and loss prevention programs.

➤ Major Functions and Responsibilities

- To act as the State's representative with respect to insurance purchased in the name of the State
- To receive and, with the assistance of the Attorney General, administer all claims for personal injury and property damage against the State
- To establish and promote safety and other loss prevention programs
- To assess and collect premiums and manage funds necessary to these services.

➤ Established Priorities

Complete an internally-administered upgrade of the risk management information database.

➤ Future Goals

- Increase facility safety and loss control inspections
- Increase human & civil rights training for employees at all levels
- Put the actuarially reviewed funds held by Risk Management on a path gradually to attain balances of at least \$15 million each. The two funds today stand at \$12.6 million and \$11.2 million respectively and are at risk on their current course of becoming insufficient to their role.

➤ Selected Accomplishments

- Held or lowered the self-insurance rates from FY04 to FY10.
- Doubled the number of employees insured for liability purposes
- Hosted in Maine the annual national convention of State Risk Managers
- Conducted numerous defensive driving courses as a loss prevention strategy

➤ Constituencies, Stakeholders and Contacts

The business managers, program managers, safety officers and facilities managers of state government and quasi state entities; the Office of the Attorney General; boiler inspection personnel of the Department of Professional and Financial Regulation; Insurance brokers and agents; and Insurance companies.

➤ Alternative Service Delivery Efforts

Annually, customers are queried about their utilization of the Division's program offerings and adjustments are made to best meet the customer's needs for the coming year. Privatization is considered when risks are financially too large or not spread sufficiently as to generate meaningful premiums or when market conditions yield premiums that are less than self insurance requires.

➤ Personal Information

Personal information gathered by the Division is only gathered in anticipation of litigation and as such is kept in locked confidential files within the Division. Such information is destroyed according to schedules approved by the Secretary of State when it is no longer needed.

- DIVISION OF PURCHASES (15 positions) has one primary purpose - to directly purchase or review/approve agency purchases of goods and services, in order to support the needs of State government agencies. The Division of Purchases ensures that all of these purchasing transactions are made on a "best value" basis, ensuring both quality and cost reasonability, and that the transactions are made in a fair and competitive manner.

➤ Major Functions and Responsibilities

- Direct purchase of tangible goods and standard services, valued at \$5,000 or more
- Establishment of master agreements for use by all state agencies and certain other public entities
- Review and approval of all requests for proposals for professional services and the resulting contracts
- Review and approval of all requests for sole source contracts and purchases
- Administration of the State's procurement card program
- Administration of the State Purchasing Code of Conduct
- Conduct appeals brought by parties aggrieved by State procurement awards

➤ Established Priorities

- Established statewide program for temporary staff augmentation in support of information technology projects. It is focused on reducing cost and streamlining the acquisition of temporary IT resources.
- Publication of contracts for public access on the State of Maine website
- All staff seeking achievement of nationally recognized procurement and buyer certifications
- Ongoing statewide RFP and commodity training sessions.

➤ Future Goals

- Review and potential modification of Chapter 120 Rules for Appeal of Contract and Grant Awards to reduce the administrative burden of the current appeal process.
- In an effort to improve upon the use of a competitive process, the Division of Purchases is implementing a new initiative to post sole source contracting requests in a public forum,

allowing other, potentially interested vendors to review and comment as to whether or not the assignment should be completed on a sole source basis. When credible reasoning is provided, sole source contracting requests will be denied.

➤ Selected Accomplishments

- Earned the "Achievement of Excellence in Procurement" Award
- Implementation of AdvantageME, an integrated e-procurement application
- Reduction of three positions or 20 percent of the staff at that time in a cost-savings reorganization and updated expectations and skills of remaining staff
- Development of Comprehensive Procurement Card Policy to improve accountability and control and the subsequent implementation of policy-enhanced Procurement Card Program
- Implementation of a variety of environmentally-preferable purchasing initiatives for paper, cleaning products and other products
- Development and implementation of statutory Code of Conduct policy for clothes and textiles
- Creation of two positions targeted on broad-based cost savings activities and the subsequent achievement of associated savings.
- Implementation of management recommendations from review conducted by the Office of Program Evaluation and Government Accountability, including development of new policies and guidelines for sole source justifications and contract renewals and amendments.
- Ongoing cost savings initiatives including new statewide contracts to pool purchasing volumes, identifying and participating in multi-state cooperative agreements, and renegotiating existing contracts upon renewal.

➤ Agency Coordination Efforts

The Division of Purchases works closely with state agencies to ensure the effective and efficient use of public funds. This coordination includes the review and approval of agency solicitations (Requests for Quotations (RFQs) and Requests for Proposals (RFPs)), agency selection decisions, and agency contracts. Additionally the Division of Purchases manages and maintains over 400 Master Agreements for items that are used by multiple State agencies, pooling the State's purchasing power for the most advantageous pricing and terms from contractors. These prices and terms are also offered to municipalities and political sub-divisions through a program that allows other public entities to benefit from certain State contracts.

➤ Constituencies

The Maine business community and all providers or vendors seeking to do business with the State of Maine; the Governor's Office and All Executive Agencies, including but not limited to the Office of the State Controller, the Bureau of the Budget, and the Office of Information Technology; and external organizations such as municipalities and political subdivisions and the National Association of State Procurement Officials.

➤ Alternative Service Delivery Efforts

Last year, the Division of Purchases and the Office of Information Technology implemented a

technology staff augmentation program for temporary resources based on a fixed hourly-rate card. To date, this program has saved over a million dollars when compared to previous acquisition methods. These coordinated activities save agency funds through reduced costs, and also saves agency time by not re-creating contracts that other agencies may have already sought to implement. The Division of Purchases also seeks to participate in multi-state contracts whenever possible, for the same reasons as stated above -- pooling purchasing volumes across states for time and cost benefits.

➤ Emerging Issues

- Like most State agencies, the Division of Purchases is concerned with the expected increase in retirements of agency personnel who handle contracts (both inside and outside of the Division of Purchases).
- The Division also recognizes that shrinking budgets mean that agencies must learn to "do more with less." When reviewing approximately 6,000 service contract documents per year, and processing approximately 10,000 commodity purchase documents per year, the Division of Purchases does its best to remain vigilant on contractual issues, and ensure that all contracting decisions are made in a logical and reasonable manner.
- Finally, ensuring that the general public has access to procurement documents is a key focus as technology allows better transparency. In the upcoming years, the Division of Purchases will need to work with our current staff toward achieving a greater degree of transparency.

➤ Personal Information

The Division of Purchases has no policy or requirement for the collection, management, or use personal information over the internet or non-electronically. The Division discourages the presence of such information in agency solicitation or contract documents. Certain identifying information from vendors that do business with the State of Maine is found within the State's financial system of record, AdvantageME. Vendors self-register with that system, and operation of the system is under the authority of the Office of the State Controller. With regard to other information technology policies, the Division adheres to the policies set forth by the Office of Information Technology.

- CENTRAL FLEET MANAGEMENT AND CENTRAL SERVICES (15 positions) Central Fleet Management and Central Services operate the vehicle fleet, postal service, central warehouse and surplus property program of state government.

Central Fleet Management: Central Fleet Management (17 positions) was established to procure, distribute, and dispose of passenger and light truck vehicles cost-effectively by harnessing all of state government's vehicle use through a single agency. Today, CFM manages nearly 2,000 vehicles for employees on official state business.

➤ Major Functions and Responsibilities

- Provides transportation via a long-term vehicle lease program and short-term daily rental program.

- Maintains data and performs analysis, including on energy consumption, efficiency and cost.
- Administers the associated requirements of fleet management, such as writing vehicle specifications, ordering vehicles, providing drivers with maintenance, fueling, and insurance resources.

➤ Established Priorities and Goals

- To continue the detailed work of prudent fleet management, such as right-sizing and not over-sizing or under-sizing vehicles to tasks, and ensuring vehicles are both safe and operated for their full life.
- To reduce the amount and cost of fuel used by CFM vehicles.
- To continue to work with repair vendors and the Division of Purchases to reduce the cost of maintenance and repairs of vehicles state wide.
- To review the EZ Pass usage by all using agencies to eliminate redundancies and increase efficiency.
- To make better use of the CFM website to better assist agencies and promote the services offered.

➤ Selected Accomplishments

- CFM's energy efforts, cost-saving initiatives and data tracking shows that the total gasoline used by State government declined by approximately 20 percent or 1 million gallons from FY02 to FY11.
- Transferred hundreds of employees from reimbursed mileage to more cost-effective state vehicles. New vehicles put into service in FY11 alone saved more than \$100,000.
- Increased the overall average fuel efficiency of CFM vehicles. Based on FY11 overall average miles per gallon, there was a 6.7 percent improvement from FY05 figures.
- In conjunction with the Department of Transportation, submitted legislation and received approval to transfer DOT light duty vehicles to CFM. DOT projected a savings of \$240,000.
- Eliminated the use of lead wheel weights in favor of more environmentally preferable materials.

➤ Constituencies, Stakeholders and Contacts

All State and Quasi State Agencies that have vehicle needs; Vehicle and equipment vendors; State wide vehicle repair garages and parts stores and retail fuel vendors.

Postal Services: The State Postal Center (21 positions) provides a wide range of mail services for more than 160 State agencies, including interoffice mail. The Postal Center handles 11.3 million pieces of outgoing mail and 9.4 million pieces of incoming mail annually.

➤ Major Functions and Responsibilities

- Operate reliable inter-office and external daily mail service for eligible agencies at discounted rates and a lower overall cost than the state would achieve if every individual department acted alone.

- Receive printed materials, merge multiple pieces and insert in envelopes at 8,000 pieces per hour.
- Internal inter-office mail service is provided at no charge as part of the overall postal service.
- The Postal Center offers a variety of vendors (USPS, UPS) giving customers multiple speed and cost options and provides next day service for many types of mailing jobs.

➤ Established Priorities and Goals

- To continue to seek out ways to process mail in the most cost efficient manner possible
- Continue testing the full service IMB bar code technology for all presorted mail processed, which allows additional discounts and enhanced tracking capabilities
- Consider related and additional entities who might be served to the benefit of all
- Convert all inbound accountable tracking to a real-time web system and eliminate paper copies

➤ Selected Accomplishments

- Consolidated the Department of Labor mailroom into Postal Services to reduce costs and provide consistent services for all of State government
- Significantly improved mailing audit capability to ensure jobs are processed correctly and timely
- Added technology that verifies different page counts within a single inserting job allowing variable information to be collated with it reading multiple barcode types and formats
- Converted to a bar-coded computerized accounting system that improved billing accuracy

➤ Agency Coordination Efforts

The State Postal Service is always working with agencies to help reduce cost and redundancies. The largest example of coordinating efforts of state agencies in the recent past would be the combining of the Department of Labor's mail room with the State Postal Services. This allowed the DOL to reduce their over head and allowed State Postal to provide a wider variety of services and also allowed for a back up site to be established so all agencies can be serviced more efficiently.

➤ Constituencies, Stakeholders and Contacts

All State and Quasi State Agencies that are eligible to use the service; United States Postal Service; United Parcel Services; Equipment Providers.

➤ Alternative Service Delivery Efforts

- Each year the current delivery system is looked at numerous times and adjustments are made to meet the standards that customers need. We also look at rate structures to ensure we are a viable cost reducing service.
- Postal Services and the Division of Purchases established a new contract for courier services with United Parcel Services (UPS). This contract has pooled Maine State Government, Municipal and County Government in Maine, the University of Maine System, the Maine

Community College System, Maine Maritime Academy, and certain quasi-governmental agencies which allows a considerable discount for shipping costs.

Surplus/Warehouse (10 positions):

➤ Major Functions and Responsibilities

- The Surplus Property Division disposes of state surplus property that is no longer needed by the department that purchased it. The Division conducts daily sales, property offered for bid, periodic public sales and public auctions. Federal surplus property also is obtained for donation to qualifying state, public or non-profit organizations throughout Maine.
- The Central Warehouse provides storeroom services for the storage and distribution of supplies, materials and equipment to State government agencies and other eligible entities statewide.

➤ Established Priorities and Goals

- Priorities are providing timely and cost effective goods via the Central Warehouse to state agencies, quasi-state agencies and participating schools and municipalities.
- Surplus Property priorities are offering collection and receipt of property from state and federal agencies and providing the property as a cost effective alternative to purchasing new for eligible donees, such as state agencies, municipalities, schools and eligible non-profits.
- Continuation of effective processing and merchandising for the Dept. of Education Maine Learning Technology Initiative by the sale of the Apple laptops when they are periodically retired from service
- Evaluation of currently stocked products for cost effectiveness
- Review inventory for unmet customer demand, opportunities and cost-effectiveness.
- Review feasibility of processing surplus property for Municipalities and Educational Institutions
- Pursue a revenue generating or no-cost contract for recycling universal electronic waste, (non-serviceable or no longer needed computers, monitors, copiers, fax machines, televisions and fluorescent lamps) including plastic, to reduce costs to agencies.
- Consolidating positions and duties to streamline operations due to attrition and the discontinuance of some Central Warehouse products that were no longer cost-effective
- Reviewing the use of bar-code and other technology to track computer equipment for disposition.

➤ Selected Accomplishments

- Established in cooperation with the Department of Environmental Protection a universal waste recycling program to ensure all of the state's electronic waste such as computers, monitors, copiers, fax machines, televisions and fluorescent lamps is properly handled.
- Developed the resources and methods to process the periodic retirement of the Dept. of Education MLTI Apple laptops. This has involved 22,000 laptops to date.

- Discontinued ink and toner cartridges from the warehouse product line to reduce costs to agencies.

➤ Agency Coordination Efforts

The State agency for Surplus Property maintains a partnership with the federal government, i.e., GSA, Dept. of Defense and civilian agencies for the disposition of federal property for the benefit of eligible donees.

➤ Constituencies, Stakeholders and Contacts

State and quasi-state and federal agencies; donees (local governments, schools, eligible non-profits); Vendors; public buyers of surplus property.

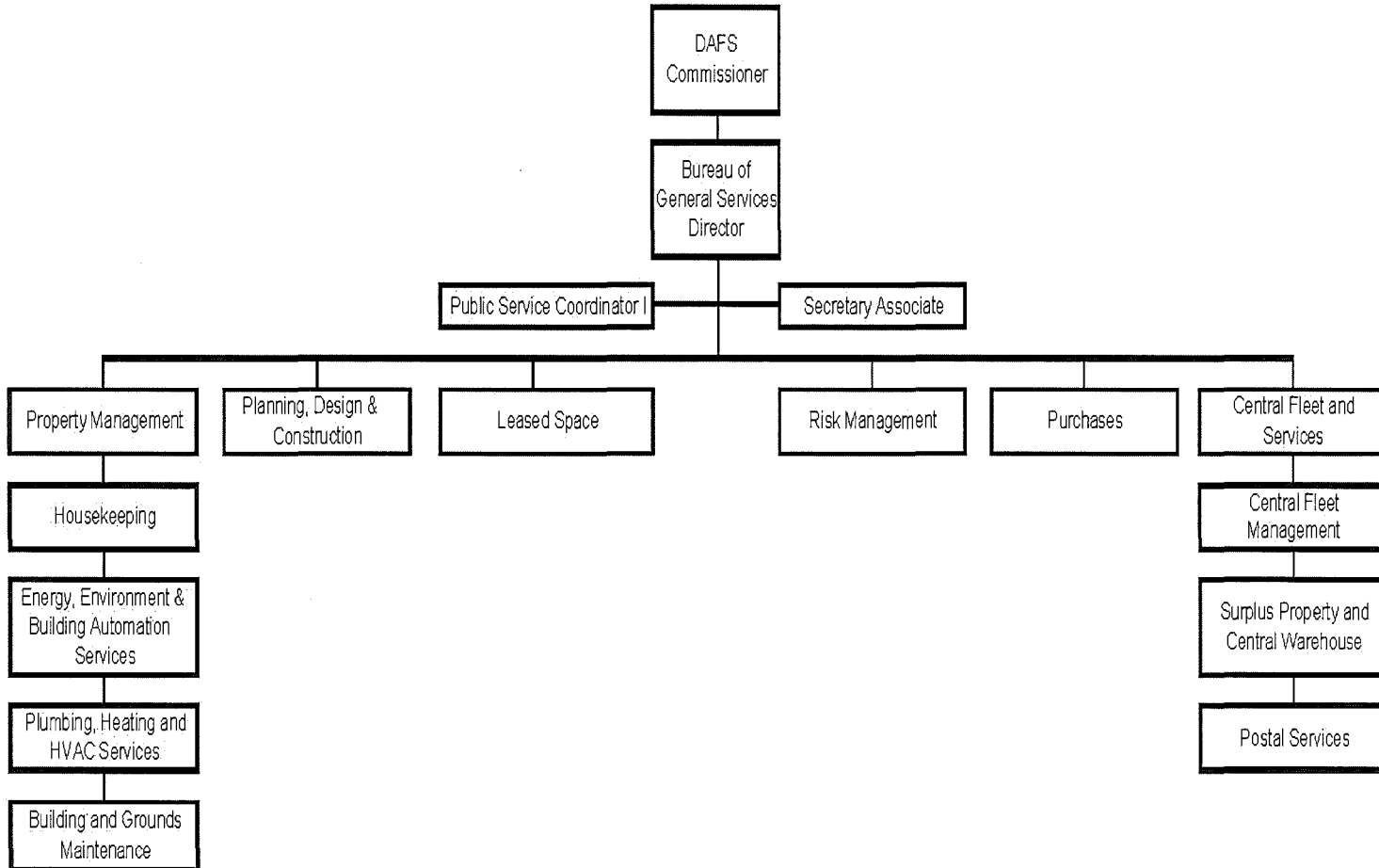
➤ Alternative Service Delivery Efforts

Evaluation of Central Warehouse products and contract awards has resulted in discontinuation of distribution of Office Supplies and Copier & printer paper by the state and responsibility shifting to the private sector.

➤ Major Functions and Responsibilities

- Upgrades will be required for the Central Warehouse in order to keep pace with scheduled and emerging technologies.

BUREAU OF GENERAL SERVICES ORGANIZATION CHART



DAFS FINANCIAL AND POSITION COUNT

Program	2003	2004	2005	2006	2007	2008	2009	2010	2011
<u>OFFICE OF THE COMMISSIONER</u>									
0718 DAFS COMMISSIONER									
General Fund	266,202	325,522	341,390	347,063	399,360	441,756	449,629	397,313	396,895
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0	0	0	0
Other Special Revenue	0	0	0	0	2,000	5,000	5,000	5,000	5,000
ARRA	0	0	0	0	0	0	0	125,000	125,000
	266,202	325,522	341,390	347,063	401,360	446,756	454,629	527,313	526,895
Position	3.000	3.000	3.000	4.000	4.000	4.000	4.000	4.000	4.000
Personal Services	279,060	296,836	302,857	332,598	407,016	389,679	460,843	518,128	472,988
All Other	23,623	22,217	25,302	20,306	21,416	48,915	306,817	397,819	87,731
Capital	0	0	0	0	0	0	0	0	0
	302,682	319,053	328,159	352,904	428,431	438,595	767,660	915,948	560,719
<u>ACCOUNTS AND CONTROL</u>									
0056 ACCOUNTS & CONTROL - BUREAU OF									
General Fund	1,772,574	1,753,675	2,142,557	5,328,923	4,848,873	10,131,728	9,992,979	2,325,301	2,313,197
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0	0	0	0
Other Special Revenue	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	1,772,574	1,754,675	2,143,557	5,329,923	4,849,873	10,132,728	9,993,979	2,326,301	2,314,197
Position	26.000	25.000	25.000	29.000	29.000	29.000	29.000	26.000	26.000
Personal Services	1,450,849	1,459,318	1,587,117	1,975,972	2,049,872	2,047,524	2,119,939	2,037,573	1,922,318
All Other	266,948	282,436	229,050	3,418,854	2,776,485	7,717,110	7,591,142	204,269	80,099
Capital	0	0	0	0	0	0	0	0	0
	1,717,797	1,741,754	1,816,167	5,394,826	4,826,357	9,764,634	9,711,081	2,241,842	2,002,417

DAFS FINANCIAL AND POSITION COUNT

0058 ACCOUNTS & CONTROL - SYSTEMS PROJECT

General Fund	3,371,591	3,278,879	3,415,030	0	0	0	0	0	0
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0	0	0	0
Other Special Revenue	5,000	5,100	5,202	5,000	0	0	0	0	0
	3,376,591	3,283,979	3,420,232	5,000	0	0	0	0	0
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0
All Other	3,329,898	3,279,177	3,386,815	19,666	0	0	0	0	0
Capital	0	0	0	0	0	0	0	0	0
	3,329,898	3,279,177	3,386,815	19,666	0	0	0	0	0

BUDGET

0055 BUDGET - BUREAU OF THE

General Fund	974,452	1,060,967	1,165,887	1,132,610	1,153,720	1,269,339	1,298,832	1,089,234	1,114,117
Highway Fund	56,014	74,098	77,729	178,373	80,073	93,063	97,800	100,649	98,293
Federal Fund	0	0	0	0	0	0	0	0	0
Other Special Revenue	0	0	0	0	0	0	0	0	0
	1,030,466	1,135,065	1,243,616	1,310,983	1,233,793	1,362,402	1,396,632	1,189,883	1,212,410
Position	0.000	13.000	13.000	14.000	14.000	14.000	14.000	13.000	13.000
Personal Services	832,089	955,382	987,666	1,091,028	1,145,978	1,164,104	1,137,615	1,011,999	965,726
All Other	163,294	133,413	174,124	160,719	82,927	80,367	80,106	74,413	69,771
Capital	0	0	0	0	0	0	0	0	0
	995,384	1,088,795	1,161,790	1,251,748	1,228,905	1,244,472	1,217,721	1,086,412	1,035,497

EMPLOYEE RELATIONS

0244 EMPLOYEE RELATIONS-OFFICE OF

General Fund	628,540	678,121	697,391	716,605	767,567	697,719	708,805	0	0
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0	0	0	0
Other Special Revenue	0	0	0	0	0	0	0	0	0
	628,540	678,121	697,391	716,605	767,567	697,719	708,805	0	0

DAFS FINANCIAL AND POSITION COUNT

Position	7.000	7.000	7.000	8.000	8.000	7.000	7.000	0.000	0.000
Personal Services	550,594	575,840	602,901	642,809	711,527	610,929	0	0	0
All Other	144,174	106,601	122,633	120,230	102,865	131,755	(159)	0	0
Capital	0	0	0	0	0	0	0	0	0
	694,768	682,441	725,535	763,039	814,392	742,684	(159)	0	0

GENERAL SERVICES

0004 CENTRAL SERVICES

General Fund	0	0	0	0	0	0	0	0	0
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0	0	0	0
Other Special Revenue	0	0	0	0	0	0	0	0	0
Postal Printing Fund	3,643,993	4,109,177	4,152,303	4,119,474	4,237,417	4,291,230	4,380,938	3,811,459	3,884,462
	3,643,993	4,109,177	4,152,303	4,119,474	4,237,417	4,291,230	4,380,938	3,811,459	3,884,462

Position	55.375	54.000	53.000	51.375	51.375	50.375	50.375	40.375	40.375
Personal Services	2,272,727	2,225,370	2,469,375	2,524,609	2,396,789	2,536,831	2,203,218	2,139,179	1,953,954
All Other	35,074,543	34,218,991	40,602,687	43,988,356	40,319,209	51,268,455	43,722,021	41,716,430	42,134,648
Capital	0	0	0	0	0	0	0	0	0
	37,347,270	36,444,361	43,072,062	46,512,965	42,715,998	53,805,286	45,925,239	43,855,610	44,088,602

0007 PURCHASES-DIVISION OF

General Fund	412,664	454,443	478,401	658,329	458,233	379,931	386,169	661,836	650,571
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0	0	0	0
Other Special Revenue	0	0	0	0	0	4,000	4,000	4,000	4,000
	412,664	454,443	478,401	658,329	458,233	383,931	390,169	665,836	654,571

Position	8.500	7.000	7.000	6.000	6.000	4.000	4.000	6.000	6.000
Personal Services	335,536	344,274	414,433	383,219	389,349	289,677	320,115	396,717	444,931
All Other	72,133	68,212	72,377	260,219	87,874	83,474	82,844	210,328	195,916
Capital	0	0	0	0	0	0	0	0	0
	407,669	412,486	486,810	643,438	477,224	373,151	402,959	607,044	640,846

DAFS FINANCIAL AND POSITION COUNT

0008 RISK MANAGEMENT-CLAIMS

General Fund	0	0	0	0	0	0	0	0	0
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0	0	0	0
Other Special Revenue	0	0	0	0	0	0	0	0	0
Risk Management Fund	3,770,479	3,883,871	3,962,841	608,141	608,141	3,886,962	3,896,704	3,944,877	3,955,266
State Administered Fund	2,011,728	2,051,963	2,094,628	2,094,628	2,094,628	2,043,128	2,043,128	2,043,128	2,043,128
	5,782,207	5,935,834	6,057,469	2,702,769	2,702,769	5,930,090	5,939,832	5,988,005	5,998,394
Position	6.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
Personal Services	351,275	296,343	314,187	338,266	343,663	366,185	358,035	397,231	380,631
All Other	2,219,836	2,986,144	1,538,195	1,899,701	2,050,472	1,831,439	2,551,485	2,719,143	1,864,100
Capital	0	0	0	0	0	0	0	0	0
	2,571,111	3,282,487	1,852,382	2,237,967	2,394,135	2,197,624	2,909,519	3,116,374	2,244,731

* amounts adjusted for expenses that were incorrectly credited in 2008 and charged in 2009

0057 PUBLIC IMPROVEMENTS -PLANNING/CONSTRUCTION-ADMIN

General Fund	722,163	874,200	907,541	1,237,622	1,248,521	1,194,359	1,226,496	1,194,025	1,318,746
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0	0	0	0
Other Special Revenue	314,174	360,800	369,594	47,268	49,172	49,172	49,172	1,000	31,000
State Lottery Fund	4,213,696	4,441,534	5,105,183	4,610,908	4,689,039	4,665,981	4,703,315	4,098,772	4,210,765
	5,250,033	5,676,534	6,382,318	5,895,798	5,986,732	5,909,512	5,978,983	5,293,797	5,560,511
Position	13.000	13.000	13.000	13.000	13.000	12.000	12.000	12.000	12.000
Personal Services	834,971	826,329	905,382	883,287	948,541	988,852	1,074,511	1,027,293	803,428
All Other	86,767	177,499	164,571	163,899	159,962	163,462	143,737	95,541	187,732
Capital	0	0	0	0	0	0	0	0	0
	921,738	1,003,828	1,069,953	1,047,187	1,108,503	1,152,314	1,218,248	1,122,834	991,160

0059 CAPITAL CONSTRUCTION/REPAIRS/IMPROVEMENTS-ADMIN

General Fund	3,512,620	247,788	157,200	95,000	95,000	95,000	95,000	73,204	94,405
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0	0	0	0
Other Special Revenue	0	0	0	528,065	1,154,777	1,177,974	1,177,974	948,359	948,359
	3,512,620	247,788	157,200	623,065	1,249,777	1,272,974	1,272,974	1,021,563	1,042,764

DAFS FINANCIAL AND POSITION COUNT

0703 CENTRAL MOTOR POOL									
General Fund	0	0	0	0	0	0	0	0	0
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0	0	0	0
Other Special Revenue	0	0	0	0	0	0	0	0	0
Central Motor Pool	4,819,460	5,002,781	5,125,497	5,354,727	5,422,913	6,863,052	6,970,280	9,278,145	9,520,685
	4,819,460	5,002,781	5,125,497	5,354,727	5,422,913	6,863,052	6,970,280	9,278,145	9,520,685
Position	15,000	15,000	15,000	15,000	15,000	15,000	15,000	17,000	17,000
Personal Services	666,430	635,845	708,552	734,476	761,991	830,381	887,828	955,153	952,016
All Other	3,614,196	3,823,457	4,233,543	4,857,669	5,394,628	5,960,968	4,722,931	5,833,633	6,951,997
Capital	0	0	0	0	0	0	0	0	0
	4,280,626	4,459,302	4,942,096	5,592,145	6,156,619	6,791,349	5,610,759	6,788,786	7,904,012
0883 BUR GEN SVCS-CAPITAL CONSTRUCTION & IMPROVE RESERVE FUND									
General Fund	(129,392)	0	0	0	0	0	0	0	0
Highway Fund	0	664,713	669,857	669,857	669,857	667,677	669,497	669,497	669,497
Federal Fund	0	0	0	0	0	0	0	0	0
Other Special Revenue	30,000	50,000	50,000	45,000	7,371,590	5,040,000	5,040,000	15,000	15,000
	(99,392)	714,713	719,857	714,857	8,041,447	5,707,677	5,709,497	684,497	684,497
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0
All Other	1,639,699	696,726	664,856	663,769	691,619	696,680	668,890	669,497	686,291
Capital	1,983,843	823,984	63,088	0	580,860	3,402,628	1,326,132	144,829	70,716
	3,623,543	1,520,710	727,945	663,769	1,272,479	4,099,308	1,995,022	814,325	757,007
<u>HUMAN RESOURCES</u>									
0038 ADMINISTRATION-HUMAN RESOURCES									
General Fund	1,787,096	1,738,141	1,773,588	1,219,496	1,242,827	1,354,477	1,379,460	1,940,287	1,903,455
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0	0	0	0
Other Special Revenue	352,590	453,214	463,666	494,403	513,141	442,658	450,843	493,329	501,304
	2,139,686	2,191,355	2,237,254	1,713,899	1,755,968	1,797,135	1,830,303	2,433,616	2,404,759

DAFS FINANCIAL AND POSITION COUNT

Position	28.500	28.500	28.500	17.000	17.000	17.000	17.000	24.000	24.000
Personal Services	1,661,220	1,550,844	1,552,629	1,181,694	1,156,322	1,214,429	1,987,617	1,927,940	1,740,846
All Other	862,137	496,362	460,399	410,644	426,314	470,418	585,481	548,195	584,276
Capital	0	0	0	0	0	0	0	0	0
	2,523,356	2,047,206	2,013,029	1,592,338	1,582,636	1,684,847	2,573,098	2,476,135	2,325,122
0455 ACCIDENT-SICKNESS-HEALTH INSURANCE									
General Fund	0	0	0	0	0	760,000	840,000	659,017	792,630
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	96,378	0	0	0	0	0	0	0
Other Special Revenue	0	0	0	0	0	0	0	0	0
Retiree Health Ins	35,994,855	41,738,173	48,400,235	48,400,235	48,400,235	48,400,235	48,400,235	48,400,235	48,400,235
Accident, Sickness & Health Ins	1,284,786	1,427,539	1,513,884	1,587,440	1,821,822	1,801,315	1,860,196	1,870,879	1,892,838
Firefighters, Law Enforcement, Ins.	0	0	0	0	81,000	109,392	111,894	113,178	114,919
	37,279,641	43,262,090	49,914,119	49,987,675	50,303,057	51,070,942	51,212,325	51,043,309	51,200,622
Position	11.361	14.360	15.360	14.000	15.000	15.000	15.000	15.000	15.000
Personal Services	541,972	589,161	538,415	748,625	779,065	904,296	913,330	974,575	894,183
All Other	155,262,386	151,072,861	191,902,640	200,066,079	204,369,288	213,428,307	219,943,708	218,735,001	249,188,559
Capital	0	0	0	0	0	0	0	0	0
	155,804,358	151,662,021	192,441,055	200,814,705	205,148,353	214,332,603	220,857,038	219,709,577	250,082,742
0802 WORKERS' COMPENSATION MANAGEMENT FUND PROGRAM									
General Fund	0	0	0	0	0	0	0	0	0
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0	0	0	0
Other Special Revenue	0	0	0	0	0	0	0	0	0
Workers Comp Management Fund	18,581,590	19,073,011	19,556,286	19,345,175	19,408,720	19,503,863	19,531,977	19,338,189	19,358,630
	18,581,590	19,073,011	19,556,286	19,345,175	19,408,720	19,503,863	19,531,977	19,338,189	19,358,630
Position	10.000	10.000	12.000	12.000	12.000	13.000	13.000	12.000	12.000
Personal Services	942,714	877,657	916,865	919,563	1,066,633	1,114,780	998,869	1,125,877	895,225
All Other	10,885,257	11,616,855	11,497,714	10,555,369	11,042,159	12,446,017	12,560,037	16,466,362	14,533,471
Capital	0	0	0	0	197,614	303	0	0	0
	11,827,971	12,494,512	12,414,579	11,474,932	12,306,406	13,561,100	13,558,905	17,592,239	15,428,696

DAFS FINANCIAL AND POSITION COUNT

INFORMATION SERVICES

0112 STATEWIDE RADIO NETWORK SYSTEM

General Fund	0	0	0	0	0	0	0	0	0
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0	0	0	0
Other Special Revenue	0	0	0	0	0	0	0	0	0
Statewide Radio & Network Systems	268,000	2,073,360	1,979,044	279,044	1,652,040	1,652,727	3,423,253	1,652,727	4,646,505
	268,000	2,073,360	1,979,044	279,044	1,652,040	1,652,727	3,423,253	1,652,727	4,646,505
Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0
All Other	298,768	29,982	0	1,078,431	0	1,652,727	1,652,727	1,652,727	4,010,905
Capital	0	0	0	0	0	0	0	0	0
	298,768	29,982	0	1,078,431	0	1,652,727	1,652,727	1,652,727	4,010,905

0155 INFORMATION SERVICES

General Fund	0	0	0	0	0	2,010,583	2,010,583	8,836,789	6,057,344
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	140,000	0	0	0	0	0	0	0
Other Special Revenue	0	0	0	0	0	0	0	0	0
Office of Information Services	19,936,367	21,626,049	21,512,364	26,996,300	47,794,967	57,484,595	58,590,340	63,070,969	63,636,804
	19,936,367	21,766,049	21,512,364	26,996,300	47,794,967	59,495,178	60,600,923	71,907,758	69,694,148
Position	185.457	182.956	182.956	481.456	481.456	486.500	486.500	504.500	503.500
Personal Services	11,871,297	11,571,820	12,156,211	18,206,860	37,331,441	39,878,478	43,508,093	41,818,496	39,772,162
All Other	18,832,163	18,536,277	17,649,560	21,281,144	21,912,506	35,084,870	38,334,081	57,786,585	46,363,457
Capital	0	0	0	0	0	0	0	0	(4,756)
	30,703,460	30,108,098	29,805,771	39,488,004	59,243,947	74,963,348	81,842,174	99,605,080	86,130,863

0945 HEALTH INFORMATION PROTECTION & PRIVACY ACT

General Fund	377,500	0	0	0	0	0	0	0	0
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0	0	0	0
Other Special Revenue	0	0	0	0	0	0	0	0	0
	377,500	0	0	0	0	0	0	0	0

DAFS FINANCIAL AND POSITION COUNT

Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0
All Other	80,000	264,197	0	0	0	0	0	0	0
Capital	0	0	0	0	0	0	0	0	0
	80,000	264,197	0	0	0	0	0	0	0

FINANCIAL AND PERSONNEL SERVICES

0713 FINANCIAL AND PERSONNEL SERVICES-DIVISION OF

General Fund	572,964	959,620	1,019,475	440,357	0	0	0	0	0
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	0	0	0	497,302	497,302	497,302	497,302	497,302
Other Special Revenue	1,382,208	1,794,846	1,857,630	911,149	30,000	30,000	30,000	30,000	30,000
Financial & Personnel Services	0	0	0	10,306,968	20,657,783	21,241,101	21,823,818	22,857,441	23,406,353
	1,955,172	2,754,466	2,877,105	11,658,474	21,185,085	21,768,403	22,351,120	23,384,743	23,933,655

Position	33.000	42.000	42.000	276.000	302.000	298.000	298.000	301.500	300.500
Personal Services	1,589,766	2,039,288	2,060,729	8,942,203	16,133,275	17,944,757	19,561,069	18,883,977	19,116,260
All Other	578,785	359,708	1,065,187	821,288	1,858,103	2,212,147	2,237,886	2,268,216	2,148,874
Capital	0	0	0	0	0	0	0	0	0
	2,168,552	2,398,996	3,125,916	9,763,491	17,991,378	20,156,904	21,798,955	21,152,193	21,265,134

OTHER

0893 DEBT SERVICE-GOVERNMENT FACILITIES AUTHORITY

General Fund	11,567,902	16,382,917	16,822,372	17,703,517	19,236,282	18,794,890	19,745,063	19,345,063	19,094,010
Highway Fund	0	0	0	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0	0	0	0
Other Special Revenue	0	0	0	0	0	0	0	0	0
	11,567,902	16,382,917	16,822,372	17,703,517	19,236,282	18,794,890	19,745,063	19,345,063	19,094,010

Position	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Personal Services	0	0	0	0	0	0	0	0	0
All Other	11,567,901	16,382,917	14,577,824	17,137,122	19,054,175	18,516,207	19,392,367	19,177,483	18,784,761
Capital	0	0	0	0	0	0	0	0	0
	11,567,901	16,382,917	14,577,824	17,137,122	19,054,175	18,516,207	19,392,367	19,177,483	18,784,761

Department of Administrative and Financial Services
2011-2012 REGULATORY AGENDA
September 27, 2011

18-125: Bureau of Revenue Services
18-134: State Capitol Planning Commission
18-389: Bureau of Human Resources
**18-553: Bureau of Alcoholic Beverages and Lottery Operations, including
Maine State Liquor and Lottery Commission**
18-554: Bureau of General Services

AGENCY UMBRELLA-UNIT NUMBER: 18-125
AGENCY NAME: Bureau of Revenue Services

CONTACT PERSON: John W. Sagaser, General Counsel, Maine Revenue Services, 24
State House Station, Augusta, Maine 04333. Tel. (207) 624-9536

EMERGENCY RULES ADOPTED SINCE THE LAST REGULATORY AGENDA: None

EXPECTED 2011-2012 RULE-MAKING ACTIVITY:

CHAPTER 101: CALCULATION OF INTEREST
STATUTORY AUTHORITY: 36 M.R.S.A. §§ 112, 186
PURPOSE: To repeal the rule.
ANTICIPATED SCHEDULE: By February 2012.
AFFECTED PARTIES: All Maine taxpayers.
CONSENSUS-BASED RULE DEVELOPMENT: not contemplated

CHAPTER 104: ELECTRONIC FILING OF MAINE TAX RETURNS
STATUTORY AUTHORITY: 36 M.R.S.A. § 193
PURPOSE: To update and clarify the rule.
ANTICIPATED SCHEDULE: By February 2012.
AFFECTED PARTIES: All Maine taxpayers who electronically file Maine tax returns with
Maine Revenue Services.
CONSENSUS-BASED RULE DEVELOPMENT: not contemplated

CHAPTER 201: RULES OF PROCEDURE USED TO DEVELOP STATE VALUATION
STATUTORY AUTHORITY: 36 M.R.S.A. §§ 112, 201, 208

PURPOSE: To update and clarify the rule.

ANTICIPATED SCHEDULE: By February 2012.

AFFECTED PARTIES: Maine municipalities, the unorganized territory, and their residents.

CONSENSUS-BASED RULE DEVELOPMENT: not contemplated

CHAPTER 202: TREE GROWTH TAX LAW VALUATIONS

STATUTORY AUTHORITY: 36 M.R.S.A. §§ 112, 576

PURPOSE: The State Tax Assessor annually must establish current use valuations for classified forestlands after considering area timber stumpage sales during previous calendar years. Taxpayers with land classified under Tree Growth Tax Law and municipal assessors require guidance in appropriate valuation of forestland based on representative proportions of forest growth and products generated to reduce the incidence of conversion or over-harvesting of forestlands due to property tax burdens.

ANTICIPATED SCHEDULE: By April 2012.

AFFECTED PARTIES: All Maine taxpayers with land classified under Tree Growth Tax Law and municipal assessors.

CONSENSUS-BASED RULE DEVELOPMENT: not contemplated

CHAPTER 308: DIRECT PAY PERMITS

STATUTORY AUTHORITY: 36 M.R.S.A. § 112

PURPOSE: To update and clarify the rule.

ANTICIPATED SCHEDULE: By February 2012.

AFFECTED PARTIES: All holders of direct payment permits (limited to certain utilities and manufacturers).

CONSENSUS-BASED RULE DEVELOPMENT: not contemplated

CHAPTER 313: CLASSIFIED PERMITS

STATUTORY AUTHORITY: 36 M.R.S.A. § 112, 1951-A

PURPOSE: To repeal the rule.

ANTICIPATED SCHEDULE: By February 2012.

AFFECTED PARTIES: Maine retailers.

CONSENSUS-BASED RULE DEVELOPMENT: not contemplated

CHAPTER 601: ESTATE TAX

STATUTORY AUTHORITY: 36 M.R.S.A. §§ 112

PURPOSE: To update and clarify the rule, especially concerning residency status, QTIP calculations, sourcing of proceeds and to reflect 2013 changes to the thresholds and calculation of the tax.

ANTICIPATED SCHEDULE: By February 2012.

AFFECTED PARTIES: All Maine taxpayers subject to the Maine estate tax.

CONSENSUS-BASED RULE DEVELOPMENT: not contemplated

CHAPTER 703: EXEMPT SALES OF CIGARETTES

STATUTORY AUTHORITY: 36 M.R.S.A. §§ 112, 4379

PURPOSE: To update and clarify the rule.

ANTICIPATED SCHEDULE: By February 2012.

AFFECTED PARTIES: Cigarette distributors and dealers.

CONSENSUS-BASED RULE DEVELOPMENT: not contemplated

CHAPTER 803: WITHHOLDING TAX REPORTS AND PAYMENTS

STATUTORY AUTHORITY: 36 M.R.S.A. § 112

PURPOSE: To update and clarify the rule.

ANTICIPATED SCHEDULE: By February 2012.

AFFECTED PARTIES: Partnerships, limited liability companies, S corporations, trusts with nonresident members, and certain employers and payroll processors.

CONSENSUS-BASED RULE DEVELOPMENT: not contemplated

CHAPTER 805: COMPOSITE FILING

STATUTORY AUTHORITY: 36 M.R.S.A. § 112

PURPOSE: To update and clarify the rule.

ANTICIPATED SCHEDULE: By February 2012.

AFFECTED PARTIES: Certain partnerships, limited liability companies, S Corporations, trusts, and individuals who are members of those entities.

CONSENSUS-BASED RULE DEVELOPMENT: not contemplated

CHAPTER 806: NONRESIDENT INDIVIDUAL INCOME TAX

STATUTORY AUTHORITY: 36 M.R.S.A. § 112

PURPOSE: To update and clarify the rule, especially regarding minimum taxability thresholds, and to make changes necessitated by recent changes to the law.

ANTICIPATED SCHEDULE: By February 2012.

AFFECTED PARTIES: Nonresident individual taxpayers.

CONSENSUS-BASED RULE DEVELOPMENT: not contemplated

CHAPTER 807: RESIDENCY

STATUTORY AUTHORITY: 36 M.R.S.A. § 112

PURPOSE: To update and clarify the rule and make changes necessitated by recent changes to the law regarding financial advisors.

ANTICIPATED SCHEDULE: By February 2012.

AFFECTED PARTIES: All Maine taxpayers required to file individual income tax returns.

CONSENSUS-BASED RULE DEVELOPMENT: not contemplated

CHAPTER 901: MAINE RESIDENTS PROPERTY TAX PROGRAM

STATUTORY AUTHORITY: 36 M.R.S.A. § 112

PURPOSE: To update and clarify the rule.

ANTICIPATED SCHEDULE: By February 2012.

AFFECTED PARTIES: Maine residents who qualify for the Maine Residents Property Tax Program.

CONSENSUS-BASED RULE DEVELOPMENT: not contemplated

NEW RULE: STATE TELECOMMUNICATIONS EXCISE TAX

STATUTORY AUTHORITY: 36 M.R.S.A. § 112, P.L. 2011, c.430 § 3.

PURPOSE: To adopt routine technical rules for implementing P.L. 2011, c.430, "An Act to Reform Telecommunications Taxation."

ANTICIPATED SCHEDULE: By June 2012.

AFFECTED PARTIES: Telecommunications businesses doing business in Maine.

CONSENSUS-BASED RULE DEVELOPMENT: not contemplated

AGENCY UMBRELLA-UNIT NUMBER: 18-134

AGENCY NAME: State Capitol Planning Commission

CONTACT PERSON: Betty M. Lamoreau, Acting Director, Bureau of General Services, 77 State House Station, Augusta, Maine 04333. Tel. (207) 624-7344
betty.m.lamoreau@maine.gov

EMERGENCY RULES ADOPTED SINCE THE LAST REGULATORY AGENDA: None
CONSENSUS-BASED RULE DEVELOPMENT: None contemplated.

EXPECTED 2011-2012 RULE-MAKING ACTIVITY:

CHAPTER 1

STATUTORY AUTHORITY 5 MRSA §298

PURPOSE Amend this rule to improve the definition of zones within the Capitol Planning District, define uses within those zones, and set out new construction and site development guidelines for each of the zones within the District.

ANTICIPATED SCHEDULE: Possible amendment prior to October 2012.

AFFECTED PARTIES: The City of Augusta, the Bureau of General Services, State agencies, developers and property owners within the District boundaries.

AGENCY UMBRELLA-UNIT NUMBER: 18-389

AGENCY NAME: Bureau of Human Resources

CONTACT PERSON: J. Thaddeus Cotnoir, Public Service Coordinator I, 4 State House Station, Augusta, ME 04333-0004. (207) 624-7799. thaddeus.cotnoir@maine.gov

EMERGENCY RULES ADOPTED SINCE THE LAST REGULATORY AGENDA: None

EXPECTED 2011-2012 RULE-MAKING ACTIVITY:

CHAPTER 1: PURPOSE, ADOPTION AND AMENDMENT OF RULES AND DEFINITION OF TERMS

STATUTORY AUTHORITY: 5 MRSA, § 7036, sub-§ 17

PURPOSE: Ensures definitions are consistent with Civil Service Law and the Administrative Procedures Act, reflecting changes in policy and procedures as a result of changes to these laws.

ANTICIPATED SCHEDULE: Prior to September 30, 2012

AFFECTED PARTIES: New hire applicants, confidential employees and bargaining unit employees of Maine State Government in matters not otherwise covered by collective bargaining agreements.

CONSENSUS-BASED RULE DEVELOPMENT: Not contemplated

CHAPTER 2: INTERMITTENT EMPLOYMENT

STATUTORY AUTHORITY: 5 MRSA, § 7053

PURPOSE: To comply with the Civil Service Law and to provide clarification of the benefits available to intermittent employees.

ANTICIPATED SCHEDULE: Prior to September 30, 2012

AFFECTED PARTIES: New hire applicants, confidential employees and bargaining unit employees of Maine State Government in matters not otherwise covered by collective bargaining agreements.

CONSENSUS-BASED RULE DEVELOPMENT: Not contemplated

CHAPTER 3: DIVISIONS OF THE CLASSIFIED SERVICE

STATUTORY AUTHORITY: 5 MRSA, §§ 7036 and 7065; Ch. 147, P&SL 06/14/76

PURPOSE: Identifies the competitive, non-competitive (also known as "direct hire"), and labor divisions of Maine State Service.

ANTICIPATED SCHEDULE: Prior to September 30, 2012

AFFECTED PARTIES: New hire applicants, confidential employees and bargaining unit employees of Maine State Government in matters not otherwise covered by collective bargaining agreements.

CONSENSUS-BASED RULE DEVELOPMENT: Not contemplated

CHAPTER 4: CLASSIFICATION PLAN

STATUTORY AUTHORITY: 5 MRSA, § 7061

PURPOSE: Explains the classification plan and mechanism for its maintenance. Defines the allocation and re-allocation of positions and related actions. Identifies the purpose and use of classification specifications and classification titles and states the mechanism for appeals of classification actions.

ANTICIPATED SCHEDULE: Prior to September 30, 2012

AFFECTED PARTIES: New hire applicants, confidential employees and bargaining unit employees of Maine State Government in matters not otherwise covered by collective bargaining agreements.

CONSENSUS-BASED RULE DEVELOPMENT: Not contemplated

CHAPTER 5: COMPENSATION PLAN

STATUTORY AUTHORITY: 5 MRSA, §§ 7036 and 7065

PURPOSE: Defines the compensation plan in terms of fixed salary schedules as adopted, published, and emended for covered classifications of work in Maine State Service. Identifies pay rates, presents overtime provisions and gives rates of pay for specific personnel actions such as new hires, promotions, demotions, transfers, non-standard work designations, and project appointments.

ANTICIPATED SCHEDULE: Prior to September 30, 2012

AFFECTED PARTIES: New hire applicants, confidential employees and bargaining unit employees of Maine State Government in matters not otherwise covered by collective bargaining agreements.

CONSENSUS-BASED RULE DEVELOPMENT: Not contemplated

CHAPTER 6: APPLICATIONS AND EXAMINATIONS

STATUTORY AUTHORITY: 5 MRSA, §§ 7036, 7051, 7052, 7054, 7055, 7062, 7063, 7064

PURPOSE: Provides information and procedures regarding the character and content of examinations and related announcement/examination administration practices. Gives requirements for admission, outlines exam scoring and notice procedures, and presents the mechanism for appeal of examination results.

ANTICIPATED SCHEDULE: Prior to September 30, 2012

AFFECTED PARTIES: New hire applicants, confidential employees and bargaining unit employees of Maine State Government in matters not otherwise covered by collective bargaining agreements.

CONSENSUS-BASED RULE DEVELOPMENT: Not contemplated

CHAPTER 7: ELIGIBLE REGISTERS

STATUTORY AUTHORITY: 5 MRSA, §§ 7034, 7036, 7052, 7053, 7062, 7064

PURPOSE: Identifies the types of employment registers and the manner in which they are maintained and used. Establishes a mechanism for adding and removing names, and specifies the normal duration of registers.

ANTICIPATED SCHEDULE: Prior to September 30, 2012

AFFECTED PARTIES: New hire applicants, confidential employees and bargaining unit employees of Maine State Government in matters not otherwise covered by collective bargaining agreements.

CONSENSUS-BASED RULE DEVELOPMENT: Not contemplated

CHAPTER 8: CERTIFICATION AND APPOINTMENT

STATUTORY AUTHORITY: 5 MRSA, §§ 781-791, 7034, 7036, 7051, 7052, 7053, 7054, 7055, 7062, 7064

PURPOSE: Establishes rules which govern appointments to position vacancies in the classified service. Includes procedures for appointments made by certification from classification registers and for appointments resulting from nominations submitted by appointing authorities. Provisions are also included for: apprentice, trainee, and conditional appointment referrals that may be authorized by the Director; acting capacity assignments; and the reemployment of retired persons.

ANTICIPATED SCHEDULE: Prior to September 30, 2012

AFFECTED PARTIES: New hire applicants, confidential employees and bargaining unit employees of Maine State Government in matters not otherwise covered by collective bargaining agreements.

CONSENSUS-BASED RULE DEVELOPMENT: Not contemplated

CHAPTER 9: PROBATIONARY PERIOD

STATUTORY AUTHORITY: 5 MRSA, §§ 7036, 7051

PURPOSE: Identifies the purpose and duration of the probationary period and presents the mechanism for transition from probationary to permanent status.

ANTICIPATED SCHEDULE: Prior to September 30, 2012

AFFECTED PARTIES: New hire applicants, confidential employees and bargaining unit employees of Maine State Government in matters not otherwise covered by collective bargaining agreements.

CONSENSUS-BASED RULE DEVELOPMENT: Not contemplated

CHAPTER 10: PERFORMANCE APPRAISAL AND TRAINING

STATUTORY AUTHORITY: 5 MRSA, §§ 7036, 7065, 7070

PURPOSE: Identifies the purpose and requirements for the performance appraisal system and establishes a mechanism for internships and apprentice training.

ANTICIPATED SCHEDULE: Prior to September 30, 2012

AFFECTED PARTIES: New hire applicants, confidential employees and bargaining unit employees of Maine State Government in matters not otherwise covered by collective bargaining agreements.

CONSENSUS-BASED RULE DEVELOPMENT: Not contemplated

CHAPTER 11: HOLIDAYS, LEAVE OF ABSENCE AND RELATED COMPENSATION PRACTICES

STATUTORY AUTHORITY: 5 MRSA, §§ 721-727, 7036

PURPOSE: Designates holidays and related compensation procedure and presents regulations governing leaves of absence with pay and without pay. Includes sick leave, vacation leave, military leave, educational leave, jury duty and court appearances, workers' compensation, and unclassified service appointments.

ANTICIPATED SCHEDULE: Prior to September 30, 2012

AFFECTED PARTIES: New hire applicants, confidential employees and bargaining unit employees of Maine State Government in matters not otherwise covered by collective bargaining agreements.

CONSENSUS-BASED RULE DEVELOPMENT: Not contemplated

CHAPTER 12: DISCIPLINARY ACTION, DEMOTION AND LAYOFF

STATUTORY AUTHORITY: 5 MRSA, §§ 7036, 7051, 7052, 7054, 7055, 7062, 7063, 7064

PURPOSE: Presents the basis and procedure for demotions, suspensions and dismissals in the State service; the procedure for resignation in good standing; and the statewide mechanism for addressing the unavoidable layoff of employees.

ANTICIPATED SCHEDULE: Prior to September 30, 2012

AFFECTED PARTIES: New hire applicants, confidential employees and bargaining unit employees of Maine State Government in matters not otherwise covered by collective bargaining agreements.

CONSENSUS-BASED RULE DEVELOPMENT: Not contemplated

CHAPTER 13: COMPLAINTS, GRIEVANCES AND INVESTIGATIONS

STATUTORY AUTHORITY: 5 MRSA, §§ 7036, 7051, 7081-7085

PURPOSE: Presents the various mechanisms through which complaints and/or grievances of State employees may be discovered, filed and/or heard, and related investigation and enforcement powers of the Director with respect to proper administration and application of the Civil Service Law to these rules.

ANTICIPATED SCHEDULE: Prior to September 30, 2012

AFFECTED PARTIES: New hire applicants, confidential employees and bargaining unit employees of Maine State Government in matters not otherwise covered by collective bargaining agreements.

CONSENSUS-BASED RULE DEVELOPMENT: Not contemplated

CHAPTER 14: EMPLOYEE WORK RECORDS AND PAYROLL CERTIFICATION PROCEDURE

STATUTORY AUTHORITY: 5 MRSA, §§ 7070, 7071

PURPOSE: Provides information and establishes procedures with respect to employment history and records maintained by the appointing authority and the Bureau of Human Resources. Provides requirements for information regarding changes in employee status for purposes of payroll authorization and the permanent record thereof. Provides access to public records, with restriction.

ANTICIPATED SCHEDULE: Prior to September 30, 2012

AFFECTED PARTIES: New hire applicants, confidential employees and bargaining unit employees of Maine State Government in matters not otherwise covered by collective bargaining agreements.

CONSENSUS-BASED RULE DEVELOPMENT: Not contemplated

CHAPTER 15: THE MAINE MANAGEMENT SERVICE

STATUTORY AUTHORITY: 5 MRSA, §§ 7031, 7034, 7036, 7051, 7052, 7061, 7065, 7081-7085

PURPOSE: This chapter, adopted in 2002, establishes the Maine Management Service and provides separate and distinct rules for confidential employees who occupy positions that are specifically designated as included in the Maine Management Service. Provides a definition and outlines the goals of the Maine Management Service; provides the manner in which positions are included in the Maine Management Service; and defines terms associated with the Maine Management Service. This chapter also provides a classification and compensation plan for the Maine Management Service; provides unique procedures for recruitment, application, selection, training, and development. This chapter also provides a unique procedure for layoff, complaints, grievances, investigations, and discipline of employees included in the Maine Management Service.

ANTICIPATED SCHEDULE: Prior to September 30, 2012

AFFECTED PARTIES: Applicants for positions included in the Maine Management Service, confidential employees who occupy positions that are specifically designated as included in the Maine Management Service.

CONSENSUS-BASED RULE DEVELOPMENT: Not contemplated

AGENCY UMBRELLA-UNIT NUMBER: 18-553

AGENCY NAME: Bureau of Alcoholic Beverages and Lottery Operations and the Maine State Liquor and Lottery Commission

CONTACT PERSON: Timothy R. Poulin, 8 State House Station, Augusta, ME 04333-0008, 207-287-6750, Tim.Poulin@Maine.gov.

EMERGENCY RULES ADOPTED SINCE LAST REGULATORY AGENDA: None

EXPECTED 2011 – 2012 RULE-MAKING ACTIVITY:

CHAPTER 2: PRICING OF SPIRITS

STATUTORY AUTHORITY: 28-A MRSA. §83

PURPOSE: To establish such rules as necessary for the administration of the state liquor laws under the jurisdiction of the Bureau of Alcoholic Beverages and Lottery Operations.

SCHEDULE FOR ADOPTION: Prior to October 2012.

LIST OF AFFECTED PARTIES: Agency liquor stores and licensees; wholesaler distributor of spirits and fortified wines.

CONSENSUS-BASED RULE DEVELOPMENT: None contemplated.

CHAPTER 10: MAINE STATE LOTTERY

STATUTORY AUTHORITY: 8 MRSA §374

PURPOSE: To establish such rules as necessary for the operation of the Maine State Lottery including types of games offered, subscriptions, price of tickets, number and size of prizes, manner of selecting winning tickets, the method of paying prizes, the sale of tickets and the licensing, performance, fee charges and commission of ticket agents.

SCHEDULE FOR ADOPTION: Prior to October 2012.

LIST OF AFFECTED PARTIES: Licensed Lottery Agents and the Public.

CONSENSUS-BASED RULE DEVELOPMENT: None contemplated.

CHAPTER 20: POWERBALL

STATUTORY AUTHORITY: 8 MRSA §374

PURPOSE: To establish rules for the operation of a multi-jurisdictional lottery including any marketing and promotion of lottery games with other jurisdictions.

SCHEDULE FOR ADOPTION: Prior to October 2012.

LIST OF AFFECTED PARTIES: Licensed Lottery Agents and the Public.

CONSENSUS-BASED RULE DEVELOPMENT: None contemplated.

CHAPTER 30: HOT LOTTO

STATUTORY AUTHORITY: 8 MRSA §374

PURPOSE: To establish rules for the operation of a multi-jurisdictional lottery including any marketing and promotion of lottery games with other jurisdictions.

SCHEDULE FOR ADOPTION: Prior to October 2012.

LIST OF AFFECTED PARTIES: Licensed Lottery Agents and the Public.

CONSENSUS-BASED RULE DEVELOPMENT: None contemplated.

CHAPTER 40: MEGA MILLIONS

STATUTORY AUTHORITY: 8 MRSA §374

PURPOSE: To establish rules for the operation of a multi-jurisdictional lottery including any marketing and promotion of lottery games with other jurisdictions.

SCHEDULE FOR ADOPTION: Prior to October 2012.

LIST OF AFFECTED PARTIES: Licensed Lottery Agents and the Public.
CONSENSUS-BASED RULE DEVELOPMENT: None contemplated.

AGENCY UMBRELLA-UNIT NUMBER: 18-554
AGENCY NAME: Bureau of General Services

CONTACT PERSON: Betty M. Lamoreau, Acting Director, Bureau of General Services,
77 State House Station, Augusta, Maine 04333. Tel. (207) 624-7344
betty.m.lamoreau@maine.gov

EMERGENCY RULES ADOPTED SINCE THE LAST REGULATORY AGENDA: None

CONSENSUS-BASED RULE DEVELOPMENT: None contemplated.

EXPECTED 2011-2012 RULE-MAKING ACTIVITY:

CHAPTER 1: PROCEDURES FOR PROCUREMENT OF PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES

STATUTORY AUTHORITY: 5 MRSA §1742(6)

PURPOSE: To amend the rule governing procurement of architectural and engineering services.

ANTICIPATED SCHEDULE: Possible amendments prior to October 2012.

AFFECTED PARTIES: Architects, engineers, owner agencies.

CHAPTER 2: BOCA BASIC BUILDING CODE - 1987

STATUTORY AUTHORITY: 5 M.R.S.A. §1742 (6-A)

PURPOSE: To amend or delete the rule regarding codes due to recent statute on statewide building codes.

ANTICIPATED SCHEDULE: Possible amendment or deletion prior to October 2012.

AFFECTED PARTIES: Architects, engineers, construction industry, owner agencies.

CHAPTER 3: LIFE CYCLE ANALYSIS

STATUTORY AUTHORITY: 5 MRSA §1764

PURPOSE: To amend or delete the rule governing life cycle cost analysis due to recent statute on statewide building codes.

ANTICIPATED SCHEDULE: Possible amendment or deletion prior to October 2012.

AFFECTED PARTIES: Architects, engineers, owner agencies.

CHAPTER 4: STANDARD 62-1981R "VENTILATION FOR ACCEPTABLE INDOOR AIR QUALITY ADOPTION"

STATUTORY AUTHORITY: 5 M.R.S.A. §1742 (24)

PURPOSE: To amend or delete the rule regarding ventilation code due to recent statute on statewide building codes.

ANTICIPATED SCHEDULE: Possible amendment or deletion prior to October 2012.

AFFECTED PARTIES: Architects, engineers, construction industry, owner agencies.

CHAPTER 6: 1981 STANDARDS OF CONSTRUCTION FOR MAKING BUILDINGS USABLE BY PHYSICALLY HANDICAPPED

STATUTORY AUTHORITY: 25 M.R.S.A. §2702-A

PURPOSE: To delete rule regarding accessibility standards due to it being superseded by more recent statute.

ANTICIPATED SCHEDULE: Possible deletion prior to October 2012.

AFFECTED PARTIES: Architects, engineers, owner agencies.

CHAPTER 8: ALTERNATIVE PROJECT DELIVERY METHODS

STATUTORY AUTHORITY: 5 M.R.S.A. §1743

PURPOSE: To amend the alternative delivery methods.

ANTICIPATED SCHEDULE: Possible amendments prior to October 2012.

AFFECTED PARTIES: Construction industry, architects, engineers, owner agencies.

CHAPTER 11: RULES GOVERNING QUALIFICATION OF PROFESSIONALS FOR SINGLE SOURCE PROCUREMENT OF SERVICES THAT DO NOT EXCEED \$25,000

STATUTORY AUTHORITY: 5 M.R.S.A. §1742 (6)

PURPOSE: To amend the Single Source Procurement of Services.

ANTICIPATED SCHEDULE: Possible amendments prior to October 2012.

AFFECTED PARTIES: Construction industry, architects, engineers, owner agencies.

CHAPTER 60: IMPROVEMENT OF ENERGY EFFICIENCY IN STATE-FUNDED CONSTRUCTION

STATUTORY AUTHORITY: 5 M.R.S.A. §1764-A

PURPOSE: To amend or delete rule due to recent statute on statewide building codes.

ANTICIPATED SCHEDULE: Possible amendment or deletion prior to October 2012.

AFFECTED PARTIES: Contractors, architects, engineers, owner agencies.

CHAPTER 101: BIDS, AWARDS AND CONTRACTS

STATUTORY AUTHORITY: 5 M.R.S.A. §1813 (8), in conjunction with 5 M.R.S.A. §1825-B, Bids, awards, and contracts, Subsection 7, Awards to best-value bidder.

PURPOSE: To amend the rule prohibiting state agencies from entering into contracts with entities determined by the State Purchasing Agent not to be a responsible bidder.

ANTICIPATED SCHEDULE: Possible amendments prior to October 2012.

AFFECTED PARTIES: Bidders bidding to provide services to the State.

CHAPTER 110: RULES FOR THE PURCHASE OF SERVICES AND AWARDS

STATUTORY AUTHORITY: 5 M.R.S.A. §1825-C.

PURPOSE: To amend the rule governing e-commerce in the competitive bidding process.

ANTICIPATED SCHEDULE: Possible amendments prior to October 2012.

AFFECTED PARTIES: Bidders bidding to provide, and Contactors providing, services to the State.

CHAPTER 120: RULES FOR APPEAL OF CONTRACT AND GRANT AWARDS

STATUTORY AUTHORITY: 5 M.R.S.A. §1825-H

PURPOSE: To amend the rule regarding the selection of appeal panelists.

ANTICIPATED SCHEDULE: Possible amendments prior to October 2012.

AFFECTED PARTIES: Bidders bidding to provide, and Contactors providing, services to the State.

CHAPTER 130: IMPLEMENTING THE STATE PURCHASING CODE OF CONDUCT REQUIRING THAT VENDORS FURNISHING APPAREL, FOOTWEAR, OR TEXTILES TO THE STATE PROVIDE HEALTHY, SAFE, AND FAIR WORKING CONDITIONS

STATUTORY AUTHORITY: 5 M.R.S.A. §1825-B and §1825-O

PURPOSE: To amend the rule regarding State purchasing code of conduct consistent with Public Law 2007, Chapter 193.

ANTICIPATED SCHEDULE: Possible amendments prior to October 2012.

AFFECTED PARTIES: Vendors bidding to provide apparel, footwear, or textiles to the State.

CHAPTER 150: CHAPTER DEFINING THE MEANS BY WHICH CONTRACTORS AND SUBCONTRACTORS ARE TO PROVIDE CERTAIN RECORDS TO THE BUREAU OF GENERAL SERVICES IN THE DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES, AND TO IDENTIFY WHAT INFORMATION IN THOSE RECORDS IS AVAILABLE TO THE PUBLIC

STATUTORY AUTHORITY: 26 M.R.S.A. §§ 1311, 1312

PURPOSE: To amend the rule regarding the means by which contractors and subcontractors are to provide certain records.

ANTICIPATED SCHEDULE: Possible amendments prior to October 2012.

AFFECTED PARTIES: Construction industry, contractors, subcontractors.

CHAPTER 155: RULES FOR DEFINING AN EQUIVALENT BASIS FOR COST COMPARISON BETWEEN STATE EMPLOYEE AND PRIVATE CONTRACTOR PROVISION OF SERVICES

STATUTORY AUTHORITY: 5 M.R.S.A. §1816-A (2) (I).

PURPOSE: To amend the rule regarding Personal Services Contracting.

ANTICIPATED SCHEDULE: Possible amendments prior to October 2012.

AFFECTED PARTIES: Vendors bidding to provide temporary personnel to the State.