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STATE OF MAINE
WORKERS' COMPENSATION BOARD
OFFICE OF EXECUTIVE DIRECTOR/CHAIR
442 CIVIC CENTER DRIVE, SUITE 100
27 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0027

JANET T. MILLS
GOVERNOR

JOHN C. ROHDE
EXECUTIVE DIRECTOR

January 31, 2022

Honorable Ryan Fecteau
Speaker of the House
2 State House Station
Augusta, Maine 04333

Honorable Troy D. Jackson
President of the Senate
3 State House Station
Augusta, Maine 04333

**RE: Annual Report of the Workers' Compensation Board Pursuant to 5 M.R.S.A.
§12023(2)**

Dear Speaker Fecteau and President Jackson:

Pursuant to 5 M.R.S.A., §12023, please consider this the transmittal letter for the required report from the Workers' Compensation Board due by February 1, 2022.

Please contact me if you have any questions or need additional information.

Sincerely,

John C. Rohde
Executive Director

JCR/dah

cc: Grant T. Pennoyer, Executive Director of the Legislative Council
(via e-mail: quasiagencyreports@legislature.maine.gov)



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JANET T. MILLS
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February 1, 2022

Honorable Ryan M. Fecteau
Speaker of the House
2 State House Station
Augusta, Maine 04333

Honorable Troy D. Jackson
President of the Senate
3 State House Station
Augusta, Maine 04333

**RE: 2022 Report of the Workers' Compensation Board Pursuant to 5 M.R.S.A.
§ 12023(2)**

Dear Speaker Fecteau and President Jackson:

On behalf of the Workers' Compensation Board ("Board") I am submitting this annual report of procurements in 2021 required by 5 M.R.S.A. § 12023 (2).

I. Introduction

Although technically a quasi-independent agency, the Board has, since its inception in 1993, adhered to the procurement and expense reimbursement policies of the Department of Administrative and Financial Services ("DAFS"). After the enactment of Title 5, Ch. 379, subchapter 3 (5 MRSA §§ 12021-12024), the Board decided to continue working under the oversight of DAFS. Adhering to those policies was the most efficient and effective way for the Board to operate. In response to the Labor and Housing Committee's March 16, 2020 report of the Board's procurement and reimbursement policies pursuant to 5 MRSA §12023(3), the Board adopted written policies and procedures governing travel-related costs. Those procedures and policies are set forth at the end of this report. Below is a description of the board's expenditures that fall into the reporting categories mandated by §12023 (2).

II. Procurements (5 M.R.S.A. §12023 (2) (A))

With respect to procurements in excess of \$10,000 for which competitive bidding was waived, the Board continues to adhere to the comprehensive bidding procedures established by the Division of Procurement Services. Included within these procedures is a requirement that the Board submit for approval a Waiver of Competitive Bidding Form. Approval by the Division of Procurement Services must be received before the Board can enter into a contract that is not the result of the competitive bidding process. Because the Board follows the Division of

Procurement Services' procedures, it also submits a waiver request for any procurement greater than \$5,000 for which competitive bidding is waived.

The following table outlines procurements exceeding \$10,000 in the preceding year for which competitive procurement was waived. The Division of Purchases, Department of Financial & Administrative Services approved the Board's Waiver of Competitive Bid requests for these purchases.

Vendors	Justification for Waiver of Competitive Bidding	Dollar Amount of Procurement
<p>West Publishing d/b/a Thomson Reuters</p> <p>RELX Inc. dba LexisNexis</p> <p>Matthew Bender & Co. d/b/a LexisNexis Matthew Bender (Larson's Workers' Compensation Law treatise)</p>	<p>The Board's staff is required by statute to mediate disputes, hear administrative law cases, write orders and/or provide legal advice and representation to individuals in the workers' compensation system. Board staff uses West Publishing's Maine Revised Statutes Annotated, RELX Inc.'s LexisNexis online library and Matthew Bender & Co.'s authoritative treatise, <i>Larson's Workers' Compensation Law</i>, to perform legal research, write trial and appellate briefs, author administrative law decrees and accomplish other work necessary to perform required duties. Board staff has determined these publications are necessary to provide up-to-date legal analysis, opinions, and decisions. Also, Board staff has not found a source for references available in state government or other governmental entities.</p>	<p>Each of these subscription services was procured at a cost that exceeded \$10,000. The cost of each procurement was:</p> <p>The cost of procuring the subscription service from West Publishing Corp. was \$47,703.00. NOTE: This subscription was cancelled in March 2021.</p> <p>The cost of procuring the subscription service from RELX Inc. dba LexisNexis was \$9860.00.</p> <p>The cost of procuring the subscription service from Matthew Bender & Co. dba LexisNexis Matthew Bender was \$37,913.10. NOTE: This subscription was cancelled in March 2021.</p>

III. Contributions (5 M.R.S.A. § 12022(4))

Membership Dues

The Board, pursuant to 39-A M.R.S.A. § 152(3), approves the agency's annual budget which includes membership dues to organizations that pertain directly to the Board's mission. The following chart sets forth the pertinent information regarding membership dues:

Organization	Justification	Amount
International Association of Industrial Accident Boards and Commissions (IAIABC)	IAIABC is an organization that provides information and resources to workers' compensation systems across the country	\$1,545 per calendar year
Workers' Compensation Research Institute (WCRI)	WCRI conducts research and publishes reports analyzing issues of importance to workers' compensation systems.	NOTE: Subscription Cancelled

Gifts, Donations and Sponsorships

The Board does not spend money on gifts, donations, or sponsorships.

Travel, Meals and Entertainment

With respect to travel, meals and entertainment, the Board operates within the policies and procedures promulgated by the Controller's Office. The Board scrutinizes each expense request upon submission and approves reimbursements upon confirmation that the requests comply with the Controller's Office.

IV. Policies and Procedures

A description of changes made in the preceding year to the written policies and procedures required by §12022 or to the procedures used by the governing body to monitor compliance with those policies and procedures.

The Board works under the oversight of DAFS and continues to adhere to comprehensive procurement procedures established by the Division of Procurement Services. The Board does not spend money on gifts, donations or sponsorships and only pays membership dues to organizations that relate directly to the Board's mission.

The Board, pursuant to 39-A M.R.S.A. § 152(13), approves the agency's annual budget which includes membership dues only if they pertain to the Board's mission. The Board's policy pertaining to gifts, donations, sponsorships, or travel reimbursement has been to, effectively, incorporate by reference practices prescribed by the Controller's Office. The Board will continue to review its budgeting and payment protocols this year and maintain policies consistent with expectations of the Controller's Office.

In January 2021, the Board adopted the policies and procedures that supplement procurement procedures established by the Division of Procurement Services. The newly adopted policies and procedures are set forth below.

I. MEMBERSHIP DUES

The Board shall only pay membership dues to organizations that relate directly to the mission of the Board. Membership dues shall be approved by the Board.

II. GIFTS, DONATIONS & SPONSORSHIPS

The Board does not budget or spend money on gifts, donations, or sponsorships.

III. TRAVEL, MEALS & ENTERTAINMENT

The Board follows the requirements contained in Chapter 10 of the State Administrative & Accounting Manual (SAAM). The following items are intended to supplement those requirements.

Except in exigent circumstances, travel must be authorized in advance by the employee's direct supervisor. Travel must be critical and necessary to the Board's operations.

Travel vouchers must be approved by the Executive Director or the Deputy Director of Business Services.

Travel vouchers will be reviewed by the Office of the Deputy Director of Business Services prior to approval.

Reimbursement of travel expenses by non-state entities shall be subject to the following:

- A non-state entity can request that board employees travel to a non-state facility for training or presentation at the non-state entity's own expense.
- The board employee must notify his or her supervisor upon receiving a request for on-site training or presentation at the non-state entity's expense.
- The non-state entity is responsible for reimbursement to the State of Maine for the expenses of the trainer(s)/presenter(s). Permissible expenses include:
 - Mileage expenses at State of Maine reimbursement rate
 - Meal expenses per State of Maine expense reimbursement schedule
 - Lodging and/or travel expenses per State of Maine expense reimbursement schedule
 - Reimbursement above these amounts is only permitted with prior approval of the Executive Director or the Deputy Director of Business Services.

Payment for meals when an employee is not in travel status must be approved in advance by the Executive Director or the Deputy Director of Business Services and must be limited to situations where work is being conducted during the meal.

Purchase of airfare must be approved in advance by the Executive Director or the Deputy Director of Business Services and be consistent with State Administrative & Accounting Manual Chapter 10, Travel.

Travel advances shall be limited to 50% of the estimated cost unless otherwise approved by the Executive Director or the Deputy Director of Business Service.

If the Board may provide additional information, please contact me.

Sincerely,

John C. Rohde
Executive Director

cc: Grant T. Pennoyer, Executive Director of the Legislative Council
(via e-mail: quasiagencyreports@legislature.maine.gov)