

Fiscal
Opportunity
Study

FINAL
REPORT



State Boards, Committees, Commissions, and Councils – Opportunities May Exist to Improve the State’s Fiscal Position and Increase Efficiency

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a report to the
Government Oversight Committee
from the
Office of Program Evaluation & Government Accountability
of the Maine State Legislature

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ABOUT OPEGA & THE GOVERNMENT OVERSIGHT COMMITTEE

The Office of Program Evaluation and Government Accountability (OPEGA) was created by statute in 2003 to assist the Legislature in its oversight role by providing independent reviews of the agencies and programs of State Government. The Office began operation in January 2005. Oversight is an essential function because legislators need to know if current laws and appropriations are achieving intended results.

Although the Maine Legislature has always conducted budget reviews and legislative studies, until OPEGA, the Legislature had no independent staff unit with sufficient resources and authority to evaluate the efficiency and effectiveness of Maine government. The joint legislative Government Oversight Committee (GOC) was established as a bipartisan committee to oversee OPEGA's activities. OPEGA's reviews are performed at the direction of the Government Oversight Committee. Legislators, committees, or members of the public should make their requests for reviews to members of the Committee or OPEGA directly.

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EXECUTIVE SUMMARY

State Boards, Committees, Commissions, and Councils – Opportunities May Exist to Improve the State’s Fiscal Position and Increase Efficiency**Introduction**

This study was intended to identify potential cost savings or efficiencies, not to evaluate the effectiveness of State boards and commissions.

The Maine Legislature’s Office of Program Evaluation and Government Accountability (OPEGA) has completed a fiscal opportunity analysis of State boards, committees, commissions, and councils. OPEGA conducted this study at the direction of the joint legislative Government Oversight Committee (GOC), in accordance with 3 MRSA §§991-997.

The GOC added this study to OPEGA’s biennial workplan as part of a broader effort to identify opportunities for improving the State’s financial situation. This study focused primarily on potential cost savings, efficiencies, or other fiscal opportunities rather than on the effectiveness of boards and commissions.

OPEGA compiled and analyzed information on a total of 261 boards and commissions throughout State government, focusing on the boards listed in 5 MRSA Chapter 379 and in the Maine State Government Annual Report. According to the data gathered, these boards collectively consumed about 349,015 hours of State employee staff time (approximately 168 FTEs) and had costs (i.e. member fees, travel, staffing, facility and refreshment expenses) totaling about \$12 million in 2007.

Summary

The State’s boards and commissions appear to present some opportunities for reducing administrative costs and streamlining government.

OPEGA acknowledges the value that some boards contribute to State government. However, this area appears to offer some opportunities for reducing administrative costs and streamlining State government. Analyses of self-reported data from an OPEGA survey of the boards and of data from the Secretary of State’s Office identified:

- boards with little or no activity;
- boards with many seats that have expired terms, or with terms that have been expired for a number of years;
- boards that appear to have similar areas of focus;
- a large number of advisory boards;
- occupational and professional licensing boards that have largely, but not completely, consolidated administration;

- some boards paying for refreshments or facility rentals for meetings; and
- disparate rates of compensation and expense reimbursement for board members.

Based on our analyses, OPEGA developed four general recommendations in addition to seven fiscal opportunities for the Legislature's consideration.

Recommendations and Fiscal Opportunities

Recommendations

The Legislature should consider:

- Exploring the potential fiscal opportunities identified in this report. Recommendation D describes processes that may be used for this purpose.
- Reviewing the current list of boards included in 5 MRSA Chapter 379 to determine whether the list is still comprehensive and appropriate given the chapter's intent.
- Amending reporting requirements in 5 MRSA Chapter 379 to provide for capture of all costs associated with the listed boards.
- Implementing sunrise and sunset processes for all boards and commissions included in 5 MRSA Chapter 379. OPEGA provides some criteria for sunrise and sunset review of boards in Appendix B.

Fiscal Opportunities

Cost savings or savings of State employee hours may be achieved through:

- Eliminating a percentage of boards with little or no activity.
- Reconsidering the number of seats on boards with many expired seats, or reconsidering the need for the boards themselves.
- Considering whether some boards could be consolidated with others that appear to share the same area of focus.
- Repealing a percentage of the State's advisory boards.
- Consolidating the administration for all licensing boards.
- Reducing expenditures on refreshments and facilities for all boards.
- Evaluating the disparate levels of compensation currently authorized for board members.

OPEGA developed rough savings estimates for three of these opportunities, totaling \$190,000 and 4,012 hours of State employee time. Developing reasonable savings estimates for the other opportunities requires more detailed analysis. However, nearly all opportunities identified present the potential benefit of freeing up time for staff in the Secretary of State's Office and for the appointers in both the Governor's Office and the Legislature. For more details, see the full report.