



Department of Administrative & Financial Services
Kirsten LC Figueroa, Commissioner

**Department Orientation Prepared for the
Joint Standing Committee on State & Local Government
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prepared for the Joint Standing Committee on State & Local Government

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Department Overview

The Department of Administrative & Financial Services (DAFS) is a proactive, innovative service organization that has a broad range of responsibilities serving the executive, legislative, and judicial branches of State government, 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 statutes of State government.

DAFS is responsible for oversight of all aspects of the civil service system and employee training and benefits; handling collective bargaining negotiations, contract interpretation, and representing all State agencies in grievance arbitration; maintaining all State-owned buildings and grounds; managing public improvements (new construction, renovations, and repairs); and procurement of leased space.

In addition, DAFS provides numerous internal services for State agencies, including oversight of financial controls, procedures and transactions; 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.

DAFS Bureaus and Divisions under the legislative jurisdiction of the Joint Standing Committee on State and Local Government are:

- Office of the State Controller
- Bureau of the Budget
- Bureau of Human Resources (exclusive of the Division of Employee Health & Wellness)
- Maine Information Technology (formerly known as OIT)
- Bureau of General Services, including Procurement and Central Services (exclusive of the Solid Waste Management Fund)
- Division of Financial and Personnel Services
- Office of the State Economist
- Office of the Commissioner

DAFS is unique in that it reports to five Legislative committees – plus has substantial interaction with the Joint Standing Committee on Appropriations and Financial Affairs.

For reference, non-SLG committees of jurisdiction are as follows:

Maine Revenue Services, the Maine Board of Tax Appeals, and the Taxpayer Advocate are under the legislative jurisdiction of the Joint Standing Committee on Taxation.



The Bureau of Alcoholic Beverages & Lottery Operations (BABLO) and the Office of Marijuana Policy (OMP) are under the legislative jurisdiction of the Joint Standing Committee on Veterans and Legal Affairs.

The Office of Employee Health & Benefits, part of the Division of Employee Health & Wellness within the Bureau of Human Resources, is under the legislative jurisdiction of the Joint Standing Committee on Health Coverage, Insurance & Financial Services.

The Office of Worker's Compensation, which is also part of the Division of Employee Health & Wellness within the Bureau of Human Resources, is under the legislative jurisdiction of the Joint Standing Committee on Labor and Housing.

The Solid Waste Management Fund within the Bureau of General Services is under the legislative jurisdiction of the Joint Standing Committee on Environment and Natural Resources.

The State Claims Commission is under the legislative jurisdiction of the Joint Standing Committee on Transportation.

DAFS Mission, Vision, Values

DAFS is the central nervous system of State government. We are infrastructure, revenues, finance, internal audit and controls, and general services. We are the provider of essential services that make the other efforts of State government possible. We lead and collaborate with open doors, open minds, and open hearts.

And we administer the primary revenue-generating functions of State government. This would include our large bureau known as Maine Revenue Services as well as the State's liquor, lottery and marijuana operations. Although these revenue-generating bureaus are not overseen by this committee, it's important to note that our workload also includes those important functions.

Our mission: To serve the public and deliver essential services to state government.

Our vision: Provide quality services, leadership, and accountability, and perform in a manner warranting the highest level of public confidence.

Our values: Excellence, teamwork, and innovation; open and continuous communications; diversity, integrity, and humor; a helpful, courteous, and positive attitude; personal and professional growth; pride in our work; leading by example toward environmental sustainability; respect for our fellow State employees and the citizens we serve.



How we get there:

Provide quality services to our customers by:

- Partnering with State agencies to meet mutual objectives.
- Delivering products and services on time and in a professional manner.
- Enhancing customers' knowledge of and access to services.

Provide leadership and accountability by:

- Promoting state-of-the-art systems.
- Assisting the Legislature and State agencies in meeting their fiscal, human resources, technology, and operational responsibilities.
- Managing revenues, resources, and costs to ensure accountability in the State of Maine's financial performance.

Perform in a manner warranting the highest level of public confidence by:

- Promoting excellence, innovation, communication, and teamwork.
- Recognizing the abilities and achievements of State employees.
- Inspiring others to be environmentally friendly by promoting sustainability at work and at home.

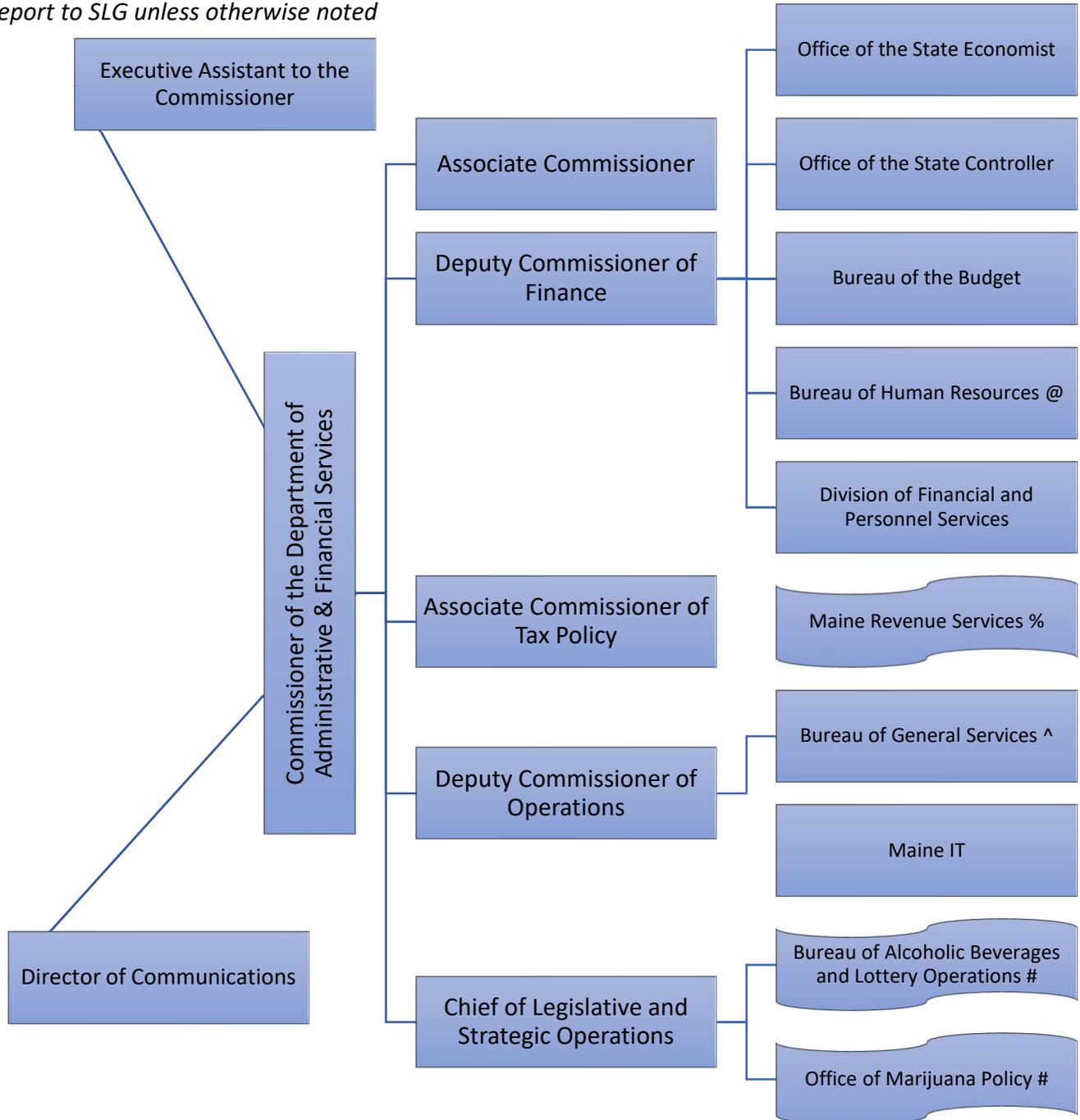
DAFS by the numbers:

- DAFS has 10 divisions, seven of which report to the Joint Standing Committee on State and Local Government.
- DAFS has five committees of jurisdiction – plus significant interaction with the Joint Standing Committee on Appropriations & Financial Affairs.
- DAFS has 1,336 positions, of which 1,188 are currently filled.



Organizational Chart

all report to SLG unless otherwise noted



KEY

- % reports to Taxation
- # reports Veterans & Legal Affairs
- @ reports to this Committee plus Health Coverage, Insurance & Financial Services and Labor
- ^ reports to this Committee save for one subset which reports to Environment & Natural Resources
- + reports to the Joint Standing Committee on Transportation

any entity in this shape box does not report to SLG

Also report to DAFS Commissioner:
 Taxpayer Advocate %
 State Claims Commission +
 Board of Tax Appeals %



Office of the Commissioner

Kirsten LC Figueroa, Commissioner

Generally, the Office of the Commissioner provides strategic direction for the various bureaus and divisions of DAFS including policy direction, legislative relations, gubernatorial relations, federal relations, coalition building, external affairs, media relations, transparency and accountability efforts, Freedom of Access Act requests within various divisions, and other policy and communications efforts. Each bureau within DAFS reports to the Commissioner's Office.

This work is performed by:

- Deputy Commissioner of Finance, Heather Perreault
- Deputy Commissioner of Operations and Acting Director of the Bureau of General Services, Elaine Clark
- Chief of Legislative and Strategic Operations, Anya Trundy
- Associate Commissioner, Jenny Boyden
- Associate Commissioner of Tax Policy, Michael Allen
- Communications Director and FOAA Coordinator, Kelsey Goldsmith, and
- Jennifer Merrow, Executive Assistant.

The team is led by Kirsten LC Figueroa, who was appointed by Governor Janet Mills as the Commissioner of the Department of Administrative & Financial Services. In this role, Figueroa is responsible for the development of the State of Maine's biennial budget, coordinating the financial planning and programming activities of State agencies, overseeing the administration of tax laws, directing technology services and infrastructure, advising the Maine Legislature on the financial statutes of State government, and the recruitment and retention of one of Maine's largest and most diverse workforces.

Named a "State Female Administrator to Watch" upon her appointment, Figueroa has a long career of public service and fiscal leadership, having previously served as the Chief of the Administrative Services Division at the Office of the Attorney General, as Director of Administrative Services for DAFS' Division of Financial and Personnel Services, and as Finance Director for DAFS' Office of Information Technology.

In addition, Figueroa served as Chief Financial Officer at Dirigo Health Agency and Deputy Commissioner of Finance for the Maine Department of Health and Human Services (DHHS). At DHHS, Figueroa oversaw that department's budget, accounting, and audit functions, and was responsible for developing and managing the department's \$3.3 billion budget.

Figueroa also served as the Chief Financial Officer of Avesta Housing and as the Energy and Housing Services Program Director for the Maine State Housing Authority. She is a graduate of Southern New Hampshire University, where she earned a B.S. in business administration and accounting.



Office of the State Economist

Amanda Rector, State Economist

The Office of the State Economist is responsible for tracking and analyzing economic and demographic trends in support of policy development. The Office maintains various modeling and analytical tools with the capability to do economic impact analysis, demographic projections, long-term and short-term economic forecasting, and statistical analysis.

As designated by statute, the State Economist is a member of the Revenue Forecasting Committee and the office provides staff support for both that committee and the Consensus Economic Forecasting Commission. The Office also serves as a liaison between the state and the U.S. Census Bureau, including designation as the State Data Center lead agency for Maine.

The Office provides technical assistance with and responds to requests for economic and demographic data along with maintaining an interactive web-based tool containing key data from various sources.

The Office also collaborates with economists in other parts of State government, such as the Maine Department of Labor and Maine Revenue Services.

As you might imagine, amid fluctuating State revenues and changing economic conditions, this Office has been quite busy during the pandemic. Below is an overview of some of the high-level themes this Office has been monitoring:

- Employment growth nationally and in Maine slowed in December 2020, with Maine gaining only 400 jobs over November. Part of this slowdown is attributable to the increased spread of COVID-19 across Maine and much of the rest of the country. Industries in Maine that have seen stronger rebound include construction and trade, transportation and utilities. Leisure and hospitality remains the furthest from recovery and lost an additional 1,800 jobs in December.
- Overall, Maine is still 48,400 jobs below February 2020's pre-pandemic levels. In December, about 95% of the year-over-year loss was in the service sector. The official unemployment rate in Maine in December was 4.9%, unchanged from November, but due to significant declines in labor force participation, the Center for Workforce Research and Information at the Maine Department of Labor estimates an alternative unemployment rate of just over 10%. The labor force participation rate declined to 60.2% in December.



- Maine has been experiencing what is being termed a “K-shaped” economic recovery, where lower-wage jobs (often in leisure and hospitality) have struggled to rebound while middle- and higher-wage jobs (often easier to transition to telework) have seen a much faster recovery. The upshot of this is that it has helped to maintain the State’s revenues, both on the income tax side and on the sales tax side. However, this is greatly concerning as the lower-wage workers are falling further behind.
- Federal stimulus checks and enhanced unemployment benefits along with the Paycheck Protection Program have been critical factors in keeping affected workers and businesses afloat and in turn maintaining tax revenues so that programs and services can continue to be provided to those who have been hardest hit. Additional federal stimulus will be an important part of continuing to bridge the gap until the pandemic is fully under control and the economy can regain momentum.

Office of the State Controller

Douglas E. Cotnoir, State Controller

The Office of the State Controller (OSC) maintains accounting policy and records according to Government Accounting Standards Board (GASB) rules. OSC is responsible for financial administration and general accounting control of the State Government, keeping of general accounts, auditing before payment of bills or vouchers and authorizing all claims against the State for which appropriations have been made. OSC provides internal audit support for State government. Additionally, OSC provides insurance advice and services for all forms of insurance for State Government. The powers and duties of the OSC are detailed in MRS Title 5 §1541 and §1728-A.

OSC staff administer official financial records for all State agencies and programs. OSC maintains and reports all State financial transactions, including accounting and payroll functions. Staff analyze fiscal transactions and payrolls to ensure legality and correctness. The Financial Reporting Division prepares and publishes the State's Comprehensive Annual Financial Report (CAFR). OSC’s Risk Management Division provides insurance services and loss control services to state agencies and other quasi-state organizations.

A major priority of this bureau is maintaining the State’s central Enterprise Resources Planning system related to accounting and HR and payroll. The Advantage accounting system includes fund accounting, budget and appropriation control, general ledger and financial reporting, accounts payable, accounts receivable, cost accounting, fixed assets management, procurement management, and vendor management. The Advantage system is used to process more than 1.5 million disbursements and more than 3 million financial transactions annually.



The HR production system maintains current personnel, payroll, and position control information. This system issues more than 338,000 payroll payments annually, approximately 99 percent via direct deposit and the balance via paper checks. The Office's payroll unit audits agency payroll input and initiates statewide payroll weekly. Other system functionality key to the work of this group includes tax withholding data and W-2 production. In addition, the time and attendance system is used by more than 9,700 employees to record and track work and leave hours.

OSC provides a data warehouse for all production systems for Statewide budget, accounting, human resources, and payroll data. Queries to the warehouses can provide ad hoc or regular management reports, dashboards, valuable data sorts, or specific data required in the course of completing fiscal work.

The Office generates more than \$20 million annually in General Fund revenue by developing, negotiating, and administering the Statewide Cost Allocation Plan (STACAP). STACAP is the allocation of certain central services costs to other funds/accounts. The Controller's Office, Budget Office, Bureau of Human Resources, and Bureau of General Services are examples of central service costs that are paid for by the General Fund and then charged through STACAP to ensure other funding sources contribute equitably.

OSC's operating budget is funded through the General Fund, except for the Risk Management Division, which is funded through the State's self-insurance internal service fund. Approximately fifty percent of the Office's General Fund expenditures are recovered through STACAP.

The CAFR for fiscal year 2019 received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting award, marking our thirteenth consecutive year receiving this award.

Amid the COVID-19 pandemic:

- OSC adapted processes to keep State government financial transactions running smoothly while employees work from home.
- This has provided a great opportunity for OSC to transition many of its processes from a very paper-driven system to a system that is less so.
- Performed accounting due diligence, coordinated with the Governor's Office, with DAFS' Bureau of the Budget, and with various agencies throughout State government to provide allowability guidance and to issue payments against Maine's allotment of \$1.25 billion in Coronavirus Relief Funds from the Federal government.



Bureau of the Budget

Beth Ashcroft, State Budget Officer

The vision for the Bureau of the Budget is to be an innovative organization that is customer oriented in seeking a balance between service and accountability in an effort to achieve the most effective and efficient program operations that facilitate the administrative and financial policies of the Legislature and the Governor.

The Bureau of the Budget provides central budget and position planning and control in support of gubernatorial objectives and legislative intent. This represents a balanced approach for carrying out the initiatives of the executive branch of State government 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 ensures 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. It prepares and submits biennially to the Governor (or the Governor-elect) a State budget document in accordance with 5 MRSA §1664 and §1666.

The Bureau examines and recommends 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. Additionally, the Bureau examines, and recommends for approval, any changes to allotments during the fiscal year in accordance with 5 MRSA §1662 sub-§2 and 3 and §1667.

In carrying out its budgetary responsibilities, the Bureau constantly reviews administrative activities of the departments and agencies of the State, studies organization and administration and reports periodically to the Governor and on request to the Legislature in accordance with 5 MRSA §1662 sub-§4.

The State Budget Officer serves as a member of the Revenue Forecasting Committee and as a member of the State Procurement Review Committee.

A summation of recent activities includes:

- At the onset of the pandemic, the Bureau of the Budget adapted processes to keep State government financial transactions running smoothly while employees work from home.
- Alongside DAFS' Associate Commissioner Jenny Boyden, the Bureau of the Budget took the lead to facilitate submissions from departments as the Governor was pursuing curtailment efforts this summer meant to harness State spending in-line with revised, pandemic-induced revenue shortfalls.



- Additionally, this small team of 13 led communications and execution of a pandemic-related freeze on certain resources as the Governor asked Commissioners to evaluate all spending with an emergency-basis scrutiny. This included the facilitation of the directive at the onset of the pandemic that departments adopt frugality measures and review planned hiring given the difficulty of onboarding and training new employees remotely and the likelihood of COVID-19 related revenue reductions.
- The Bureau of the Budget also played a key role in the efficient, seamless, and transparent effort to disburse and report on the \$1.25 billion in Federal Coronavirus Relief Funding to entities across Maine. A full overview of all COVID-19 related Federal funding to Maine is available on Budget's website, including details for the more than \$8.3 billion in Federal COVID-19 funding that has made its way to Maine people and Maine entities.
- The Bureau is also responsible for preparing and submitting the four-year revenue and expenditure forecast for the General Fund and Highway Fund. The most recent forecast report for the 2020-2021 and 2022-2023 biennia was submitted on January 8, 2021 and can offer a starting point for work sessions and conversations throughout the State's biennial budget process as State leaders, including the Legislature, carefully identify the appropriate mix of policies and strategies to be utilized in pursuit of a balanced budget.
- The Bureau of the Budget also compiles and issues the Maine State Government Annual Report, an inter-agency, statewide effort. The Bureau is in the final stages of preparing the 2019-2020 Annual Report, which has been somewhat delayed this year due to additional Covid-related work of the Bureau.
- This team has led the most recent supplemental budget process and biennial budget process, both large efforts under normal circumstances, and even more so considering the current pandemic environment. In particular, this yeoman's work was completed under tighter than normal timeframes, without sacrifice to quality, as deadlines for agency budget submissions and subsequent revenue and expenditure forecasts were delayed to ensure the most up-to-date information could be used in these uncertain times. The budget process requires working across State government with various other departments and agencies. The Bureau of the Budget often facilitates 1:1 budget meetings with each area of State government to understand their needs, and those of the constituencies they serve, to find funding solutions and ensure all across State government are informed and current on the latest projects.



Bureau of Human Resources

Breena Bissell, Director

In 1985, 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 upon only their merit: 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 applicants for employment.

In 1991, the State Employee Health Insurance, Workers’ Compensation, and State Employee Health and Wellness Programs were placed under BHR.

In 2007, the 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.

Today, BHR is responsible for the administration of the State government’s civil service system, employee relations activities, collective bargaining, recruitment of State employees, statewide human resources programs, classification and compensation, training, the State employee benefits package, deferred compensation plan, the State’s workers’ compensation plan, and equal employment opportunity policies and practices.

The Bureau of Human Resources consists of the following functional divisions and offices:

- DIVISION OF TALENT MANAGEMENT This Division is responsible for developing programs to recognize talents and contributions of state employees, recruitment and retention protocols, management training, and presenting educational briefings for HR professionals.
- COMPLIANCE DIVISION The Division includes the Classification and Compensation Unit, the Civil Service System Unit, the Office of Employee Relations, and the Investigation and Equal Employment Opportunity Group. Major functions and responsibilities include: development of statewide personnel policies; statewide classification system; statewide compensation system; interpretation of Civil Service Law and Rules and issuance of guidelines, bulletins and memoranda to HR professionals 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; and maintenance of personnel records. This Office is also responsible for all matters concerning the collective bargaining process and administration, development and implementation of employee relations policies, and



representation of all departments and agencies within the Executive Branch in grievance arbitration and other labor proceedings. Additionally, this Division is responsible for statewide policy implementation for employment laws (e.g., EEO, ADA, FML), training and counsel, investigating the more serious allegations of misconduct, and conducting management reviews in situations that warrant such reviews.

- DIVISION OF EMPLOYEE HEALTH AND WELLNESS This Division provides centralized administration of the State's health, dental, direct reimbursement, voluntary long-term care insurance, vision care, and deferred compensation programs. It is responsible for the coordination of related payroll deductions, health and dental eligibility determinations, and benefits communications. This Division also houses the Office of Workers' Compensation, which administers the self-funded and self-administered workers' compensation program for all State government employees. It administers the workers' compensation central fund that was established by the Legislature to pay expenses related to the resolution of State employee workers' compensation claims. *(As listed previously, one subset of this division does not report to SLG.)*
- FIELD SERVICES The HR portions of the five Service Centers report to BHR and are responsible for delivering direct human resources services to the majority of the executive branch. These Human Resources Service Centers partner with their respective departments on strategic initiatives and human resource-related business decisions; provide guidance to supervisors and managers; assist employees in employment matters; and ensure employees are paid accurately.

Since DAFS last update to SLG, there have been a number of improvements for State workers in terms of compensation. All of these efforts have been negotiated by the Mills Administration in close concert with this Bureau and have been implemented by the Bureau. Highlights include:

- An ongoing Classification & Compensation Study, for which over 7,000 employees completed an extensive position survey, the results of which are meant to inform our compensation practices and help reform the State's 40-year-old job classification system. We provided an update to this Committee via e-mail on 02/10/2021.
- In 2019, this Administration bargained the first of two pay raises: a cost-of-living adjustment (COLA) that increased paychecks for all State workers by 3 percent. Then, in January 2021, a second raise for non-elected and non-appointed positions, which improved paychecks by an average of 4 percent for unionized State employees.
- This effort included eliminating the bottom salary step for State workers, ensuring as of 2021 that no State worker will be hired at that low rate moving forward. A new top step was added at the highest end of the salary schedule, and salaries at each step were improved by equating them with the step below (e.g. the salary that was



previously at step 2 is now the baseline salary at step 1, and the salary previously at step 3 is now at step 2, etc.).

- There is a newly negotiated bracket for longevity pay for employees with between 10 and 15 years of service, with eligible State employees now receiving a longevity pay of \$0.20 per hour.
- There is improved longevity pay for those employees with more than 25 years of service, increasing from \$0.50 per hour to \$0.60 per hour.
- The Bureau has implemented the State's first paid parental leave for employees, available for the initial 14 days after the birth or adoption of a child.
- The Bureau negotiated and rolled out, on behalf of the Governor, a number of pandemic paid leave options for employees. For instance, for 2021, annual sick leave accruals were fronted to employees. This sick leave can also be used to care for children whose school/day care is closed due to COVID-19. Employees are now also permitted to carry all vacation hours over the maximum accrual amounts until December 31, 2021. And, for 2021, employees may use up to 80 hours of paid administrative leave granted by the Governor for time they are out or required to quarantine due to COVID-19; eligible employees may also use this time to care for others with COVID-19 or for children whose school/day care is closed due to COVID-19.
- Continued implementation efforts for the Human Resources Management System replacement project, Workday, by providing subject matter experts, testing, and assisting with legacy data conversion.
- Completed the initial report on and continued efforts to complete the mandates of "Resolve, To Direct the Department of Administrative and Financial Services To Study the Costs and Benefits of Telework to the State and Its Employees" (*Resolve 2019, chapter 37*).

BHR has also commenced planning for the forthcoming bargaining that will take place with the four labor unions across seven bargaining groups. Amid tight fiscal circumstances and following recent raises, the DAFS negotiating team will stay in touch as this work progresses as, ideally, any agreement will also earn support in the Legislature.

Further, every single area of HR has been impacted by the pandemic, with much of the internal burden and response falling to this capable, flexible, professional team. A brief summary of Covid-related efforts, amid day-to-day responsibilities, include:



- Deploying the vast majority of State workers to telework at the onset of the pandemic; this telework is on an emergency basis and is ongoing as operational needs allow.
- Reconvening the Labor Management Committee on Building Safety, which includes members from each of the seven bargaining units with an equal number of management representatives. Co-Chairs are Dean Staffieri, president of the Maine Service Employees Association (MSEA-SEIU 1989), the labor union representing the largest number of State employees, and Bill Longfellow, the Director of Innovation and Assistance at the Department of Environmental Protection.
- Creating a Transition Committee and several subcommittees to address the following priorities during the pandemic:
 - Work: Assisting state agencies with determining the necessity of onsite staffing to effectively meet operational needs and to achieve departmental objectives.
 - Work Rules: Deploying public health work rules for State employees working on site, such as face covering and distancing expectations; evaluating the workplace amid COVID-19; and staying connected with the workforce amid COVID-19.
 - Workforce: Conducting two surveys of State employees amid the pandemic to gauge employee needs and wellbeing; formulating an employee guide for returning to the workplace; created a re-entry video for employees; and providing resources for remote management and training.
 - Workplace: Developing a survey and coordinating with DAFS Building and Grounds division to assess workplace retrofits needs to ensure safe workspaces with appropriate barriers for those employees working in offices; and coordinating with DAFS' procurement services group the internal distribution of personal protective equipment for State employees.
- Creating and launching, in partnership with MaineIT, a new digital training channel for managers, supervisors, and confidential employees. Currently, two trainings have been released: *Leading and Managing Remote Teams* and *Selections in Hiring*. Approximately 2,000 managers and supervisors across State government have access to this learning opportunity, with additional training segments to follow.
- Administration of the Federal Families First Coronavirus Response Act, including the Emergency Paid Sick Leave Act and the Emergency Family and Medical Leave Expansion Act.
- Working closely with DHHS and Maine CDC to design, and then execute, the State's response to positive cases of COVID-19 at the workplace.
- Execution of two internal "pulse of the workforce" surveys to measure employee needs, wellbeing, and feedback amid the pandemic.



- In May 2020, 84% of employees indicated a desire to continue working from home at least part of the time.
- As of November 2020:
 - 78% of employees agree or strongly agree that their colleagues are taking COVID-19 seriously;
 - 90% of respondents working in offices indicate they follow COVID-19 Work Rules 100% of the time, while 91% of total respondents indicate they follow COVID rules 100% of the time;
 - An additional 8% indicate they follow the rules 75% of the time;
 - 98% agree or strongly agree that they are aware of the work rules their agency has put in place;
 - 84% of respondents working in offices agree or strongly agree that their agency keeps them informed on changes to work rules during COVID-19, including responding to questions and addressing concerns, while 87% of total respondents agree or strongly agree;
 - 70% of respondents working in offices agree or strongly agree that they feel comfortable communicating concerns about COVID-19 to leadership, which includes reporting instances of non-compliance in the workplace, while 72% of total respondents agree or strongly agree;
 - 62% of those who are working in the office agree or strongly agree that their manager has worked with their schedule to help ease challenges they may have with school aged children. 12% disagree or strongly disagree to this same question;
 - Up to 68% of our workforce is telecommuting at least part of their work time each week, while 33% are teleworking 100% of the time (not going to office).
 - 22% of our workforce are in the office 100% of the time; this is up from the spring survey when only 15% were in the office 100% of the time (though back then many State offices were closed to the public); and, this 22% of those who are currently working in the office 100% of the time would like to telecommute 0 days per week.

Maine IT

Fred Brittain, Chief Information Officer

Maine IT, formerly known as the Office of Information Technology (OIT), provides reliable, cost effective, and secure information technology (IT) services.

Maine IT roles and responsibilities are legislatively authorized by statute: 5 MRS Chapter 163: Office of Information Technology. The roles and responsibilities of Maine IT and the Chief Information Officer include the complete spectrum of IT oversight and management for Executive Branch agencies and selected parts of the spectrum throughout State government.



Maine IT provides:

- Best business practices and project management (§1973);
- IT communications and coordination across State government (§1973);
- IT leadership and vision (§1973);
- Policies and standards (§1973);
- Strategic planning (§1974);
- Training and development programs for State employees (§1974);
- Approval of acquisition and use of equipment (§1974); and
- High-quality, responsive, cost-effective information technology services (§1981).

From a strategy perspective, Maine IT directs, coordinates, and oversees all information technology operations, cyber security, policymaking, planning, architecture, and standardization. The Chief Information Officer, as head of Maine IT, provides central leadership and vision in the use of information and telecommunications technology on a statewide basis – and sets policies and standards for the implementation and secure use of information and telecommunications technologies.

Internally, on a day-to-day basis, this means that Maine IT supports the more than 11,500 executive branch employees, 14 Cabinet-level departments, and all the smaller agencies in the executive branch of State government. Maine IT also provides certain services to the judicial branch, Office of the Attorney General, and Secretary of State.

Externally, Maine IT supports Maine citizens directly through its administration of the contract for the Maine.gov web portal on behalf of the independent InforME board. It is also responsible for:

- Operation and maintenance of the State's radio network serving first responders and numerous other State agencies;
- Application development and support for all executive branch agencies;
- Project management for successful coordination and implementation for technology projects as well as other important agency efforts;
- Management and support of the State's network and communication services;
- Management of two State data centers and cloud-based server infrastructure; and
- Provision and support of all desktop computing.



Maine IT bills State agencies for IT services and equipment – and related security infrastructure – in a chargeback rate model, similar to the Office of the Attorney General. That said, this chargeback model has not kept pace with the rapidly evolving technology environment, including the cyber threat landscape, as it does not adequately or evenly spread security costs across devices, network, and agency projects without a substantial increase in agency chargebacks.

An initiative put forth by Maine IT in the proposed FY22-23 biennial budget would, if approved, address this chargeback model concern and also better position State government in terms of IT security.

Maine state government received a 39 out of 100 for IT security on a recent third-party assessment. As has been nationally highlighted, without adequate defense, Maine people, State programs and services, our financial wellbeing, financial position, and the continuity of our government are at risk. In 2019 alone, cyberattacks attributed to foreign government nation-states increased by 42 percent, with an estimated cost to the U.S. economy of \$600 billion. The December 2020 SolarWinds attack against the Department of Homeland Security and multiple Federal and State agencies is indicative of the increasing sophistication, prevalence, and danger of these incidences.

Maine IT's mission is to protect both government and citizens. This General Fund request will remedy acute security risk, inching us closer to a more appropriate IT security funding level. This will offer flexibility to shift funds in real-time to address security needs within the changing threat landscape.

Cybersecurity is factored into states' bond ratings and insurance costs. We are now required to complete detailed questionnaires on the tools, processes, resources related to IT security, and whether the State has a dedicated security budget line in the budget process. This effort would establish such a budget line and avoid rate increases to individual agency budgets.

Maine IT has been heavily involved in the following efforts over the last calendar year:

- Deploying the vast majority of State workers to telework amid the pandemic. This work includes providing significant technology support services to employees across State government, assisting individuals with remote access, distributing equipment, and providing tools for converting paper processes to electronic so that the maximum number of employees can work from home. This included breaking a record at Maine IT's Help Desk for most calls in a year as of mid-December – coming in at more than 72,000.
- Working closely with the Office of the Secretary of State on cybersecurity and physical threat planning and defense around the elections. This effort included threat hunting across digital systems and bringing those IT staff responsible for government



communications (such as phone, network and Maine.gov) into the State radio network as an extra precautionary measure in ensuring continuity of operations. This planning also included securing a third-party expert and conducting reviews with tabletop exercises. Integral to this effort, the CIO attended nationwide classified election briefings with the FBI and Department of Homeland Security.

- Quickly remediating any exposure to the SolarWinds hack on behalf of various State agencies.
- In collaboration with the Department of Health and Human Services, including the Maine CDC:
 - Deploying technology to strengthen Maine CDC's ability to meet staffing, software and equipment needs for COVID-19 contact tracers and case investigators.
 - Resolving performance issues with the National Electronic Disease Surveillance System (NBS) to aid in making contact tracing more efficient.
 - Upgrading databases for the Health and Environmental Testing Laboratory (HETL) meant to ramp-up their COVID-19 testing capacity.
 - Providing additional computer, internet, and network support to HETL, allowing ten IDEXX staff to supplement existing staff and testing capacity.
 - Making it possible for WIC benefits to now be available on EBT cards.
 - Collaborating with BHR and DHHS to deploy a new tool to match qualified candidates for Long-Term Service and Support (LTSS)-type job roles and employers. As a result of COVID-19, there is an unprecedented staffing shortage in healthcare facilities and LTSS roles. The tool allows for faster matching of facilities and prospective employees.
- Moving the entire DOT Traffic Management Center to remote operations.
- Providing assistance to ConnectMaine to support distribution of \$15 million in bond funds for broadband connectivity in Maine.
- Launching a new website for the Maine Commission on Community Service: <https://volunteermaine.gov/>.
- Collaborating closely with the Office of Marijuana Policy to complete work on data systems ahead of Maine's launch of the adult-use program.
- Funding, assembling, and deploying 83 video conferencing carts to support agencies' virtual meetings.



- Migrating the State's electronic health system, Meditech, to the cloud, positioning the State's 24x7x365 hospitals and healthcare facilities for greater nimbleness in features and growth.
- Vetting the technology for the Department of Education's new library of distance learning modules for K-12 students called MOOSE (Maine Online Opportunities for Sustained Education).
- Increasing the Department of Labor's phone capacity so that call queue and message systems function correctly and ensuring continuity for the State phone system amid an extreme uptick in unemployment call volume. On the longer term, Maine IT is building chatbots for improved customer service.

Bureau of General Services

Elaine Clark, Deputy Commissioner of Operations and Acting Director of the Bureau of General Services

Jaime Schorr, Director of Procurement Services

The Bureau of General Services (BGS) provides consolidated management and coordinated oversight for a range of property, procurement, and central services to meet the operational needs of State programs and services. BGS pursues cost-effective operations in its own activities and in the operations of other departments and agencies. BGS's enabling or authorizing laws can be found in 5 MRSA, Chapters 152 through 156, and Title 41, Code of Federal Regulations.

BGS is comprised of six functional 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 other special projects.

The Bureau of General Services consists of:

- PROPERTY MANAGEMENT DIVISION (PMD) PMD provides operation, maintenance, and building control services to 53 State-owned structures located on three campuses totaling nearly 2 million square feet of employee-occupied space for all State agencies. PMD also maintains approximately 150 acres of grounds and several monuments in the Capitol area.
- PLANNING, DESIGN & CONSTRUCTION DIVISION (PDCD) PDCD is responsible for the planning, design, and construction administration of all of the State's public improvements, and public-school projects through an MOU with the Maine



Department of Education. PDCD is also available to assist in developing long-range public improvement programs for all agencies of State government.

- DIVISION OF LEASED SPACE (LS) Leased Space 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 over 260 leases for more than 1.75 million square feet, with an annual cost of approximately \$28 million.
- DIVISION OF PROCUREMENT SERVICES (DPS) The Division of Procurement Services directs the procurement process by purchasing or reviewing and approving agency purchases of goods and services supporting the needs of State government. The Division of Purchases ensures that these procurements are made on a "best value" basis, ensuring both quality and cost effectiveness, and that the transactions are made in a fair, open, and competitive manner. The Division processed 24,406 procurement transactions in fiscal year 2020.
- DIVISION OF CENTRAL FLEET MANAGEMENT (CFM) Central Fleet Management was established to procure, distribute, and dispose of passenger and light truck vehicles cost-effectively by consolidating State government vehicle management through a single agency. Today, CFM manages over 2,100 vehicles for employees on official State business.
- DIVISION OF CENTRAL SERVICES (CS) Central Services is comprised of Postal Operations and Surplus State and Federal Property Operations.
 - Postal Services: The State Postal Center provides a wide range of mail services for more than 160 State agencies, including interoffice mail. The Postal Center handles over 11 million pieces of outgoing mail and over 9 million pieces of incoming mail annually.
 - Surplus Property: 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.

Amid the global pandemic, the entire Bureau of General Services team has been particularly active on behalf of all of State government:



- In terms of cleaning at State facilities:
 - Implemented increased cleaning protocols for State-owned buildings and amended contracts for leased space to secure additional janitorial services or, where this was not possible, replacement cleaning companies were found.
 - Cleaning staff willingly changed their hours to provide greater coverage when employees are in State buildings.
 - Conducted deep cleaning in State buildings.

- In terms of Personal Protective Equipment (PPE):
 - Early in the pandemic, the Division of Procurement Services changed their operating hours to coincide with manufacturers in China in order to communicate with and procure PPE, working creatively and nimbly to identify vendors. All told, the group has purchased more than \$44 million of PPE for the Maine CDC's stockpile, Maine's K-12 public education system, and State employees.
 - Participated in a multi-state competitive solicitation with Washington D.C., Hawaii, and Vermont to procure PPE, which resulted in 110 bids; this is a much higher level of interest than Maine could have solicited going out to bid on our own and in competition with other states.
 - On behalf of State agencies and school districts, propped up new PPE warehousing, inventory tracking systems, inventory management, ordering, picking, packing, and shipping protocol, among other infrastructure, coordinating closely with the Army National Guard, Maine Department of Transportation, and Maine Emergency Management Agency. More than 1,050 orders for PPE have been filled as a result of this effort.

- Other Procurement efforts:
 - Merged IT Vendor Management with a team within Procurement Services to create a new IT Procurement group. This group will streamline and increase effectiveness of technology purchasing across the executive branch.
 - Worked with the Secretary of State and municipalities across the state to procure and distribute absentee ballot drop boxes.
 - Collaborated with the Department of Education to purchase 45,000 remote learning devices for distribution to K-12 students.
 - Moved the sale of state surplus property to a remote format – and then back to an in-person format with robust COVID-19 safety protocol in place. State Surplus sold more than 104 vehicles online as part of this effort.
 - Helped orchestrate the acquisition and delivery of a new fire truck for the Town of Manchester. The truck was listed as federal surplus property from Germany and the town was able to purchase at the significantly reduced cost of \$20,000.



- To support the Governor's cost savings efforts:
 - Reviewed and renegotiated more than 650 master contracts on behalf of agencies across State government.
 - Reviewed Statewide master agreements for electricity, heating oil, wireless services, and office supplies for cost savings.
- Assisted the Maine CDC's Health and Environmental Testing Laboratory (HETL) in the construction setup of a temporary testing facility to support additional COVID-19 testing equipment and increased testing.
- Participated in the Bureau of Human Resources' Transition Team to identify facility issues, signage needs, office reconfigurations, and other matters for re-entry of State work force. This included an inventory of facilities' air quality systems as well as cubicle or other line-of-sight barriers, as well as upgrading HVAC filters and certain ventilation systems to ensure the best efficiency and provide the highest capture of possible virus particles. Additionally, this group deployed a pilot project of higher-density air filters at certain State locations.
- Addressed an uptick in volume and ensured service continuity at State Postal as a result of mail going out from the Department of Labor and the Department of Health and Human Services.
- Responded to the mechanical ventilation failures at the Maine State Cultural Building, which gave up after 50 years of valiant service. The moment finally arrived to empty the building to allow for the replacement of mechanical systems and the removal of sprayed-on asbestos. This project included relocation of the Maine State Library including 26,000 square feet of collections, State Archives (which amounted to 8,330 boxes of materials); and the Maine State Museum exhibits.
- Monitored and responded to any COVID-19 effects on State construction projects, such as: work delays due to suspected or actual cases within contractors' workforce; work delays and possible claims as a result of supply chain problems leading to difficulty procuring construction materials and equipment; and renegotiation of contract terms and change orders.
- Identified and negotiated leases to support State agencies' need for increased space amid COVID-19:
 - For the Department of Labor, leased two spaces for the expansion of the unemployment claims call centers, at 13,992 square feet and 16,000 square feet respectively.
 - For the Department of Agriculture, Conservation, and Forestry, leased warehouse space for USDA food storage.



- Sub-leased 5,000 square feet for warehousing of K-12 and State government PPE.
- For the Department of Health and Human Services, leased 20,480 square feet of warehouse space for CDC stockpile warehousing.

Division of Financial and Personnel Services

Heather L'Hommedieu Perreault, Deputy Commissioner of Finance

The Division of Financial and Personnel Services is comprised of Service Centers that provide financial and human resource services to agencies across State government. There are five centers focused on common customers, and each center is comprised of a financial services office and a human resources office.

These teams work with 13 State departments, including some of the largest, and dozens of boards, commissions and agencies. The Division's objective is to provide professional financial and human resources services through access to experienced staff with specialized knowledge in their fields. They provide professional expertise across all levels of HR and financial management, including processing, analysis, and reporting. Staff is well-versed in state and federal laws and regulations within which the State must operate. This expertise is used to assist agencies toward achieving their desired outcomes. Accountability, efficiency and effective use of State resources are the Division's goals.

All staff within the Division contribute towards this objective, whether they are advising senior leadership on strategic objectives, or processing day-to-day transactions. Responsibilities include paying the State's bills, managing cash flow, on-boarding new employees, and training managers in human resource management. In addition, finance office staff assists with the agency budget analysis, development and management; financial reporting, forecasts and analysis; and, advises on a variety of financial matters throughout the year. Human Resources staff assists both employees and managers with resolution of workplace issues; guides managers in performance evaluation and discipline; and provides workforce training and development.

Title 5, Section 284 established the Division of Financial and Personnel Services on June 30, 1992.

These statewide services were brought together within the Division as a result of Public Law 2005 c. 12 Pts. K-4, G-2 and G-3. These laws expanded the agencies served within the Division, and also directed the Department to review the structure of payroll, personnel and accounting statewide in an effort to improve organizational efficiency and cost-effectiveness.



The result is the current organizational structure of the Division, which has the following Service Centers:

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

In response to COVID-19, this group pivoted rapidly by:

- Quickly modifying business processes, including new software options, so that departments and agencies could continue to provide vital services with less paper and less in person interaction to the people of Maine during this crisis.
- Ensuring the State meets new grant and other reporting requirements as a result of Federal stimulus money. This includes supporting unemployment processing and the Maine Emergency Management Agency, changes to Medicaid financing, setting up new financial processes for a central warehouse for PPE, and managing hundreds of requests and new reporting for Coronavirus Relief Funds.
- Participated in and supported all of the actions outlined in the BHR section.

Conclusion

DAFS' team is highly trained and customer-focused, with a pivotally important role in the State's ability to provide the programs and services so crucial to a functioning society and so very important to Maine families, schools, and communities – especially during such unprecedented times.

And while we have had many successes, we are also forthcoming about the challenges – some new and some longstanding – that compromise our ability to accomplish the objectives tasked to us by law.

These challenges over time have eroded our infrastructure: fiscal, human, physical, and technical.

To describe the impact, we borrow on the concept of technical debt. Technical debt reflects the implied cost of ignoring deficiencies or electing short-term fixes, rather than addressing problems at their root and investing in long-term solutions. Technical debt is not carried on the State's balance sheet, but inevitably manifests as a very real financial liability on which interest has accrued.



Examples are:

- Difficulty recruiting, hiring, and maintaining quality employees because compensation is not competitive. Resulting in:
 - vacancies that stretch existing staff thin;
 - loss of institutional knowledge and expertise;
 - turnover that requires constant training; and
 - low employee morale and burnout.

- Significantly out of date computer systems, that make for:
 - inherently inefficient processes;
 - incompatibility with supporting systems that are no longer supported by vendors and/or using computer languages that are no longer taught; and
 - vulnerability to cyber-attacks, which jeopardizes the data of State agencies and citizens alike.

- Neglect of State-owned properties (including office buildings, armories, state parks, and dams), which causes:
 - delayed routine maintenance, which always costs more down the line when it becomes an urgent necessity;
 - accelerated depreciation and lost opportunity to maximize the usable life of State assets; and
 - decaying facilities that can pose a health and safety risk.

It is DAFS responsibility to highlight the critical importance of preserving these infrastructures, to ensure stewardship of all State resources, and to evaluate, design and implement creative solutions.

DAFS is undertaking several inventory projects to highlight the erosion of our infrastructures and developing roadmaps to catch up, keep up, and build up.

For instance:

- A review of all office buildings – owned and leased – for maintenance, repairs, renovations, sale, or new construction with consideration to the future impact of ongoing telework.
- A comprehensive review of compensation and job classifications: the addition of more responsibilities, with no additional headcount or reduction in tasks, coupled with lower pay and benefits, is a challenge to maintaining, growing and supporting our workforce.
- A Statewide inventory of computer systems and applications: part of the reason we cannot respond to newer technologies is because our systems and the patchwork that has been created over time are not compatible with newer technologies.



- Evaluating training opportunities and systems to ensure State employees have the most current knowledge and skills to provide the best information and service to the public and our State agency partners.

Of course, the inherent danger in highlighting the holes is the expectation of fixes. That is why the development of the roadmaps will be as critical as the assessments. To show not only that we have a comprehensive understanding of the issues, but to create methodical, sustainable, thoughtful solutions that will hopefully get us to a place where we can preserve our systems and maintain them at appropriate levels going forward.

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