Highway Fund Eligibility at the Department of Public Safety — an Analysis of Select Departmental Activities

Report No. SR-HFUPS-06

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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Flow of Funding from State and Federal Funds to DPS Organizational Units (as of SFY 2006)

**Funding Sources**
- Highway Fund
- General Fund
- Special Rev. Funds
- Federal Exp. Fund

**Budgetary Appropriation Programs**
- Office of Fire Marshal
- Motor Vehicle Inspection
- Drug Enforcement Agency
- Highway Safety
- Emergency Medical Services
- Traffic Safety
- Turnpike Enforcement
- Licensing & Enforcement
- Commercial Vehicle Enforcement
- Fire Marshal FHM
- State Police Support
- Background Checks – Certified Nursing Assistants
- Gambling Control Board

**DPS Organizational Units**
- MSP Administration
- Troops A, C, D, E, F, J
- Troop B–Turnpike Enforcement
- Criminal Inv. Div. I, II, III
- Fleet Maintenance
- Traffic Safety
- State Bureau of Identification
- Special Services
- Management Info Services
- Crime Lab
- Communications
- Special Investigations
- Special Projects
- Access Integrity Unit (AIU)
- DPS Administration
- State Fire Marshal
- Bureau of Highway Safety
- Criminal Justice Academy
- Emergency Medical Services
- ME Drug Enforcement Agency
- Capitol Security
- Gambling Control Unit

* This study focused on these 3 programs and the corresponding DPS organizational units.

See reverse for detailed activities of MSP units.
<table>
<thead>
<tr>
<th>MSP Organizational Units</th>
<th>Primary Activities (during SFY 2005 &amp; 2006)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSP Administration</td>
<td>Overseeing the operations of the Maine State Police</td>
</tr>
<tr>
<td>Troops A, C, D, E, F, J</td>
<td>Patrolling roads, responding to citizen calls, conducting traffic and criminal investigations, operating on special teams (for example: bomb team, dive team, or K-9 team)</td>
</tr>
<tr>
<td>Troop B-Turnpike Enforcement</td>
<td>Enforcing traffic laws on the Maine Turnpike</td>
</tr>
<tr>
<td>Troop K-Commercial Vehicle</td>
<td>Enforcing State size and weight laws for commercial vehicles</td>
</tr>
<tr>
<td>Criminal Investigation Divisions I, II, III</td>
<td>Investigating major and complex crimes including homicides, kidnapping, child abuse, burglaries, aggravated assaults, and missing persons</td>
</tr>
<tr>
<td>Fleet Maintenance</td>
<td>Purchasing, maintaining, and disposing of the MSP fleet of vehicles</td>
</tr>
<tr>
<td>Traffic Safety</td>
<td>Coordinating focused traffic enforcement efforts throughout the State, regulating motor vehicle inspection stations, performing air search and rescue, providing aerial photography of crash or crime scenes, investigating automobile accidents, performing accident reconstruction</td>
</tr>
<tr>
<td>State Bureau of Identification</td>
<td>Maintaining criminal records for the State of Maine, responding to public and government criminal history requests, storing fingerprint records, maintaining the State's sex offender registry</td>
</tr>
<tr>
<td>Special Services</td>
<td>Overseeing the special teams (including bomb team, K-9 team, crisis negotiations team, tactical team, and dive team), providing criminal intelligence services, facilitating ongoing professional training for MSP personnel, coordinating all homeland security for the DPS, managing supplies required for uniformed MSP personnel</td>
</tr>
<tr>
<td>Management Information Systems</td>
<td>Providing information systems support for all MSP functions</td>
</tr>
<tr>
<td>Crime Lab</td>
<td>Examining and analyzing physical evidence from crash and crime scenes, performing forensic exams of seized computers, performing DNA analysis on material recovered from crash or crime scenes, identifying and processing fingerprints or other impressions left at crash or crime scenes, processing film associated with investigations</td>
</tr>
<tr>
<td>Communications</td>
<td>Providing emergency and business communications for a number of entities (including MSP) via dispatch, managing FBI Uniform Crime Reporting (UCR) statistics for Maine</td>
</tr>
<tr>
<td>Special Investigations</td>
<td>Licensing and enforcing laws regarding non-profit gaming and concealed firearms permits, licensing manufacturers, distributors, and retailers of alcohol, enforcing State liquor license laws, regulating gambling activities at the Hollywood Slots facility, protecting Maine’s Governor and any other dignitaries requiring protection</td>
</tr>
<tr>
<td>Special Projects</td>
<td>Overseeing any special projects as needed, implementing an internal quality assurance process</td>
</tr>
<tr>
<td>Access Integrity Unit (AIU)</td>
<td>Providing access, support, and training for all State and federal law enforcement databases</td>
</tr>
</tbody>
</table>
# Table of Contents

## EXECUTIVE SUMMARY

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>Results of Analysis</td>
<td>2</td>
</tr>
<tr>
<td>Conclusions</td>
<td>2</td>
</tr>
</tbody>
</table>

## FULL REPORT

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>4</td>
</tr>
<tr>
<td>Methods</td>
<td>6</td>
</tr>
<tr>
<td>Analysis: Maine State Police</td>
<td>10</td>
</tr>
<tr>
<td>Brief History and Current Activities</td>
<td>10</td>
</tr>
<tr>
<td>Current Organization, Expenditures, and Staffing</td>
<td>12</td>
</tr>
<tr>
<td>The State Police Appropriation Program</td>
<td>13</td>
</tr>
<tr>
<td>Analysis of Activities Funded by the State Police Appropriation Program</td>
<td>14</td>
</tr>
<tr>
<td>How Other States Fund Their State Police Forces</td>
<td>16</td>
</tr>
<tr>
<td>Analysis: Bureau of Highway Safety</td>
<td>17</td>
</tr>
<tr>
<td>Brief History and Current Activities</td>
<td>17</td>
</tr>
<tr>
<td>Current Organization, Expenditures, and Staffing</td>
<td>18</td>
</tr>
<tr>
<td>Analysis of Activities</td>
<td>19</td>
</tr>
<tr>
<td>Analysis: Department of Public Safety Administration</td>
<td>20</td>
</tr>
<tr>
<td>Brief History and Current Activities</td>
<td>20</td>
</tr>
<tr>
<td>Current Organization, Expenditures, and Staffing</td>
<td>21</td>
</tr>
<tr>
<td>Analysis of Activities</td>
<td>22</td>
</tr>
<tr>
<td>Conclusions</td>
<td>23</td>
</tr>
<tr>
<td>Acknowledgements</td>
<td>24</td>
</tr>
</tbody>
</table>

## APPENDICES

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Full Text of Opinions from the Maine Attorney General</td>
<td>25</td>
</tr>
</tbody>
</table>
EXECUTIVE SUMMARY

Highway Fund Eligibility at the Department of Public Safety – an Analysis of Select Departmental Activities

Introduction

The Maine State Legislature’s Office of Program Evaluation and Government Accountability (OPEGA) has completed a study of Highway Fund eligibility of select activities at the Department of Public Safety (DPS). This study was originally requested by the Legislature’s Joint Standing Committee on Transportation in the spring of 2005, and was subsequently approved by the Government Oversight Committee and added to OPEGA’s annual work plan.

OPEGA’s purpose in performing this study was to determine which DPS activities are eligible to be paid from the State’s Highway Fund (HF). The review did not analyze all DPS activities, instead focusing only on those funded by three specific legislative appropriation programs:

1. State Police appropriation program (0291)—currently receives approximately 65% of its State funds from the Highway Fund;
2. Bureau of Highway Safety appropriation program (0457)—currently receives 100% of its State funds from a combination of the Highway Fund and Special Revenue Funds; and,
3. DPS Administration appropriation program (0088)—currently receives Highway Fund monies to support particular positions, representing approximately 64% of its total General and Highway fund appropriations.

It is critical to recognize that the Legislature appropriates to “programs” that are generally abstract funding mechanisms. Appropriation programs do not directly correspond to Executive Branch activities, programs or units. Thus, as of State fiscal year 2006, DPS was funded through a total of 18 different appropriation programs, the names of which can be a source of confusion—for example, the state police appropriation program (0291) does not fund the entire Bureau of Maine State Police, only a portion of it. See the first page of this report for an overview of the relationship between appropriation programs and organizational units in the DPS.

Based primarily on State fiscal year 2005 data, OPEGA sought to answer three questions with regard to these programs:

A. Which activities that they fund are eligible to be paid from the State’s Highway Fund?
B. What cost allocation method would best apply Highway Fund eligibility requirements?

C. What estimated changes in allocation between the funds would result from applying alternative allocation methods?

Results of Analysis

OPEGA gathered and analyzed SFY 2005 and 2006 activity and expenditure data for the three appropriation programs included in the scope of this review. This analysis was performed to estimate what percent of the activities funded by each appropriation program were eligible to be paid from the Highway Fund. No conclusions were drawn about how much Highway Fund money the programs should be receiving now, or in the future.

For each appropriation program, OPEGA developed a range of eligible activities based on two selected interpretations of Maine’s constitutional restriction that Highway Fund monies be spent only for, among other things, “state enforcement of traffic laws”. OPEGA’s estimates are as follows:

- **State Police appropriation program** – OPEGA estimates that between 17% and 34% of the costs associated with activities funded by the state police appropriation program are eligible to be paid from the HF. Approximately 65% of this program’s State funding currently comes from the HF.

- **Bureau of Highway Safety appropriation program** – This program currently receives 100% of its non-Special Revenue State funds from HF. OPEGA estimates that the program is eligible to receive 82%-100% of its State funding from the HF.

- **DPS Administration appropriation program** – This program currently receives approximately 64% of its non-Special Revenue State funds from the HF, and OPEGA estimates that the program is eligible to receive between 29% and 41%.

A detailed explanation of the estimates for each of these three programs is included in the text of the full report.

Conclusions

In the absence of a clear definition of HF eligibility and reliable activity data, it is not possible to fully and exactly determine which DPS activities are eligible to be paid from the State’s Highway Fund. It is not possible, at this time, to fully and exactly determine which DPS activities and associated costs are eligible to be paid from the State’s Highway Fund. OPEGA analyzed available data to arrive at reasonable estimates of HF eligibility, but no decisive eligibility determination or supporting cost allocation can be prepared without two currently unavailable elements:

1. an operational definition of Highway Fund eligibility, and
2. activity data that is closely linked, or can easily be linked, with financial data.
The absence of these two critical elements has led to long-standing uncertainty in DPS and the Legislature about which departmental activities are eligible to be attributed to the Highway Fund. If these elements are not put in place, the question of which Departmental activities should be supported by the HF will likely continue to be argued well into the future, with HF allocations to the Department continuing to be unrelated to the actual activities performed. A long term solution to this issue would require creating an operational definition of HF eligibility and implementing a managerial cost accounting model at DPS to make activity-based cost data continuously available.

The goal of managerial cost accounting is to accumulate, measure, analyze, interpret, and report cost information that can be useful to internal and external parties interested in how an organization uses its resources to meet its objectives. The cost information that would result from such an approach would make the costs of specific DPS activities transparent and could significantly simplify the process of identifying the amount of Highway Fund monies that should be allocated to those activities. OPEGA has observed there may also be other State agencies which are not currently collecting this type of cost information and which perhaps could benefit from a move toward cost accounting.

Implementation of a cost accounting model would represent a significant effort, requiring that appropriation programs be clearly linked to activities, that account coding be developed to link costs to activities, and that associated program activity data be collected. Full implementation of these accounting practices would take considerable time, (though they could be phased in incrementally), but would provide for marked improvements in transparency and accountability.