

Office of Policy and Management
Annual Report to the Governor 2012 – 13

Benjamin Barnes, Secretary
Karen Buffkin, Deputy Secretary

Established: 1977

Statutory Authority: Sec. 4-65a

Central Office: 450 Capitol Avenue, Hartford, Conn. 06106

Average number of full-time employees: 109

Recurring operating expenses, 2012-13:

General Fund: \$258,328,053 (includes \$243,989,479 Grants-In-Aid)

Insurance Fund: \$342,319; Mashantucket Pequot & Mohegan Fund: \$61,680,907

Private/Federal Funds: \$114,545,247; Capital Outlay: \$40,262,959

Agency Mission

The Office of Policy and Management (OPM) reports directly to the Governor and provides information and analysis that the Governor uses to formulate public policy goals for the state. OPM also assists state agencies and municipalities in implementing policy decisions on behalf of the people of Connecticut. OPM prepares the Governor's budget proposal and implements and monitors the execution of the budget as adopted by the General Assembly and signed by the Governor.

2012 – 13 Accomplishments

Following is a list of various accomplishments by OPM for FY 2013, divided by subject matter:

Office of the Secretary:

- Served as Treasurer and Finance Committee Chair for the Board of Access Health CT, the state's Health Insurance Marketplace under the Affordable Care Act.
- Served as Chair of the Integrated Eligibility Project Management Office, which is working with the Department of Social Services and Access Health CT to implement new shared systems for income-based health programs, enabling a No Wrong Door approach for Connecticut's major public assistance and health care programs.
- Continued to serve as Treasurer of the Capital Region Development Authority, which is on pace to double the supply of downtown housing within the first few years since it was created by statute.
- Served as Chair of the Personal Care Attendant Workforce Council, which was established to study issues relating to the recruitment and retention of personal care attendants, develop a plan to improve the quality and availability of personal care attendants, and establish standards for wages and benefits for personal care attendants.
- Negotiated changes in annual assessments for the Mohegan and Mashantucket Pequot nations to better comply with the terms of the tribal compacts in the area of gaming regulation and public safety.
- Worked with the Department of Transportation to negotiate resolution of longstanding dispute between the town of Stratford and the City of Bridgeport in order to facilitate needed safety improvements at Sikorsky Airport.
- Worked with the Department of Administrative Services (DAS) and the City of Hartford to consummate office and parking acquisition in downtown Hartford in support of the

State's efforts to reduce costs for state office uses while supporting downtown revitalization in the capitol city.

- Chaired the Labor Management and Transformation Committees and continued to work with agencies on achieving the goals of the agreement with the State Employee Bargaining Agent Coalition.
- Resolved long-running litigation surrounding the construction of the CT Science Center.
- Secretary or his designee served on 114 different Boards, Commissions, Councils, and Task Forces.

State Budget:

- Provided analytic and management support to the Secretary and Governor in achieving a budgetary surplus for fiscal year 2013, a significant accomplishment given that a substantial budget deficit developed late in calendar year 2012. To deal with the deficit, a comprehensive plan for closing the budget shortfall was developed, comprised of both gubernatorial rescissions—which were implemented in November 2012—and efforts requiring legislative action. Negotiated components of the deficit mitigation plan with the legislature as part of a special legislative session in December 2012, and implemented the plan upon enactment. Management of the budget resulted in a year-end surplus, and enabled a sizeable deposit into the state's Budget Reserve Fund.
- Produced the Governor's recommended budget for fiscal years 2014 and 2015. Introduced and implemented an improved process for developing policy options for the Governor's consideration, engaging selected agencies in detailed discussions of various alternatives, and resulting in inclusion of several important proposals in the recommended and enacted budgets. Negotiated and helped produce the final operating and capital budgets for the biennium as well as associated implementing legislation.

- Continued the process of moving the state's budget document and monthly financial reporting to reflect budget results on the basis of Generally Accepted Accounting Principles (GAAP). Briefed legislators and legislative analysts in November 2012 on GAAP-related changes to the budget, and successfully negotiated a budget for fiscal years 2014 and 2015 that reflects the commitment to GAAP.
- Redesigned the statutorily-required process for agency submission of requisitions of appropriations for fiscal year 2014, simplifying and streamlining the workload for agencies and resulting in a more efficient and effective process.

Health and Human Services:

- Chaired and staffed the Interagency Council on Affordable Housing, which developed strategies and recommendations for the implementation of the new Department of Housing. OPM drafted and secured passage of legislation to authorize the transfer of housing programs and the necessary funding and staff into the new Department of Housing.
- Chaired and staffed the Tobacco and Health Trust Fund's activities in FY 13, including a public hearing and meetings to develop recommendations to disburse over \$6 million for anti-tobacco efforts in Connecticut. Presented and defended the proposal to the legislative committees of cognizance and secured legislative approval. The initiatives include counter marketing, community-based cessation programs, cessation programs through the Department of Correction, and QuitLine.
- Coordinated the development and legislative approval of eight federal block grant allocation plans plus two special block grants for disaster relief from Hurricane Sandy. In total, these ten plans provided approximately \$215 million in federal funding for health, human services, energy, housing and economic development projects in Connecticut.

- Continued to coordinate the state's interagency efforts to develop permanent supportive housing as a successful and cost-effective solution to homelessness. This past year, 103 new units were moving toward initial closing or under construction. Overall, the state's interagency efforts have resulted in the creation of approximately 2,000 units of supportive housing. OPM worked with Governor Malloy to develop and secure legislative adoption of his FY14-15 housing initiatives including authorization of \$20 million to develop 100 new units of supportive housing with an annualized \$1 million for rental assistance subsidies and \$1 million for services.
- Continued to implement the Connecticut Partnership for Long-Term Care, the state's public/private partnership with private insurers which educates Connecticut residents about long-term care planning and provides an innovative financing option. This past year, significant numbers of Connecticut residents applied for and purchased Partnership-approved policies with the program surpassing the 56,800 mark for policies purchased. The Partnership estimates it saved Medicaid over \$16 million in long-term care expenses since the Partnership was implemented in 1992.
- Continued active involvement in various federal and state health reform initiatives, particularly the State Innovation Model (SIM) grant. Under the leadership of Lt. Governor Wyman, OPM helped secure a \$3 million federal SIM grant to design a multi-payer transformation of the state's health care system. OPM is participating on the steering committee of this effort as well as the Governor's Health Care Cabinet. OPM is also working to develop short term payment reforms for acute care hospitals in support of SIM's objectives.
- Coordinated a multi-agency effort to address nursing home rebalancing by making assisted living services available in state-funded congregate housing sites, federally-funded HUD housing facilities, private pay assisted living facilities and subsidized assisted living communities in Glastonbury, Hartford, Middletown, and Seymour as part of the Assisted Living Demonstration project. Over 650 residents were actively enrolled

in these programs as of June 30, 2013 and over 2,800 residents have been served to date.

Finance:

- Prepared the "2013-2018 State Facility Plan," which is used as an advisory document for the leasing of property for use by state agencies and departments and for related capital projects. The 2013-2018 State Facility Plan approved state agencies for a total of 2.75 million square feet and \$50.8 million in annual lease costs which represent decreases of 4.4% and 15.6% respectively when compared to existing space allocations and annual lease costs.

- Established the Health and Human Services Purchase of Service Contract Efficiency Project Office comprised of staff donated three days per week from state health and human service agencies. The Office finalized its recommendations, and implementation activities are underway to streamline, standardize and automate contract development and execution, financial reporting, and payment systems associated with the state's \$1.4 billion annual expenditure on health and human services procured from non-profit providers. In addition, a central contracts unit to serve the contract administration needs of the new Departments or Offices of Housing, Rehabilitation Services, Aging, and Early Childhood is also being established.

- Implemented the Information Technology Capital Investment Program, which included a capital budget appropriation in FY13 of \$50 million. The fund is aimed at modernizing the State's information technology infrastructure and changing the way the state does business by making government more user-friendly, efficient and transparent. A few examples of investments made by this fund are: 1) Department of Energy and Environmental Protection projects creating a public online and paperless interface to conduct the business of licensing, permitting, and registration activities; 2) Department of Social Services' modernization of its client service delivery by utilizing internet-based self-service client access, document scanning, workflow case management, and

interactive voice response call center services; and, 3) implementation by the Governor's Office of the eRegulations system providing all state agency regulations, notices of intent and emergency regulations online to the public.

- Staff served as member of, and provided support to, the Governor's Cabinet on Non-Profit Health and Human Services which is comprised of representatives from state health and human services agencies and non-profit providers. The Cabinet is charged with reviewing and making recommendations related to rate-setting methodologies, procurement processes and results and quality measures utilized by state agencies in the procurement of health and human services from community-based providers.

Criminal Justice:

- Coordinated and managed \$52 million in federal funding for fifteen major state agency projects and more than two hundred local government projects. The projects improved the infrastructure and operation of the criminal justice system and supported more efficient use of state funds. Developed funding sources for the Governor's priority initiatives including violent crime prevention and intervention, gun crime enforcement, and information technology for the criminal justice system.
- Assisted local governments in accessing \$5 million in federal funds in response to the Sandy Hook Elementary School tragedy. Served as liaison to the U.S. Department of Justice and coordinated drafting of two proposals to seek federal funds for reimbursement of law enforcement costs related to the Sandy Hook Elementary School tragedy.
- Assisted local governments, the Office of Chief State's Attorney, State Police and Connecticut Police Chiefs Association in implementing Public Act 11-174, *An Act Concerning the Electronic Recording of Interrogations*. The initiative upgraded eighty-nine local police departments' technology systems and accessed more than \$5 million in federal funds for public safety improvements at the local level.

- Collaborated with the U.S. Attorney's Office to design and implement *Project Longevity*, a priority policy initiative of the Governor's Office that addresses the cycle of violent crime in three Connecticut cities with the highest rates of gun violence. A dedicated state-funded account was established to support the project in coordination with federal funds.
- Developed a one-day curriculum called "Effective School Staff Interactions with Students and Police." About 150 persons attended the training, which is being evaluated by the University of Connecticut.
- Partnered with Connecticut Public Television to produce and air a one-hour documentary on the issue of disproportionate minority contact (DMC) with the juvenile justice system entitled "The Color of Justice."

Intergovernmental Policy:

- Published the 2007-2011 edition of Municipal Fiscal Indicators, an on-line publication that presents the most current financial and economic data available for each of Connecticut's one-hundred and sixty-nine municipalities, in December, 2012. The data presented is generally thought of as having the ability to impact a municipality's financial health. A significant amount of the data is compiled from audited financial reports filed with the Intergovernmental Policy Division.

Local officials within municipalities often do not have the managerial tools available to identify the signs of impending financial and/or economic problems. This publication presents a comprehensive five-year listing of key financial and economic data for each municipality, providing local officials with the ability to use the information in Municipal Fiscal Indicators as a tool in measuring financial condition. The publication also allows citizens within a municipality to compare their community with the other 168

municipalities within Connecticut. Some of the benchmarking and trend data included in Municipal Fiscal Indicators for each municipality are:

- Revenues, expenditures, fund balance and debt obligations
- Property taxes, state and federal revenues, mill rates, grand list data
- Pension and healthcare contributions, debt service costs, education expenditures per pupil
- Per capita income, median household income, bond ratings, unemployment rates

The link for Municipal Fiscal Indicators is provided below:

<http://www.ct.gov/opm/cwp/view.asp?a=2984&q=383170>

- Issued initial grant award payments for the Regional Performance Incentive (RPI) grants announced in the Fall of 2012 as organizations began their proposed projects. Total grants awarded: \$7,471,639. Provided technical assistance and guidance to eligible organizations (two or more municipalities, economic development districts or regional planning organizations), for the second annual cycle of the newly re-funded Regional Performance Incentive grant program, which provides funding to study or establish regional programs that replace the individual efforts of municipalities. Proposals were received, but grant awards have been postponed until late August because much of the current year's funding was transferred into the General Fund to help alleviate budget shortfalls.
- Processed proposals and awarded twelve (12) grants for the first round of awards for the Inter-town Capital Equipment Purchase Incentive (ICE) grant program. The ICE program provides partial funding to any two or more municipalities for the acquisition of capital equipment which will be shared between the member communities. Total grants awarded: \$860,696. Applications for a second round of ICE grants can be submitted until November 1, 2013, after which they will be reviewed and awards are expected to be announced in the winter of 2013/2014.

- Conducted thirteen regional public hearings, responded to public comments, and submitted the revised *Draft 2013-2018 Conservation and Development Policies: A Plan for Connecticut* (C&D Plan) to the Continuing Legislative Committee on State Planning and Development, in accordance with CGS Section 16a-29. Provided staff assistance to the Continuing Committee in addressing additional comments submitted through the legislative public hearing process, which were related to constituent concerns over the uniform implementation of the C&D Plan's new Priority Funding Area requirements. The Continuing Committee unanimously endorsed the C&D Plan and it was adopted by the General Assembly via Senate Joint Resolution #58 on June 5, 2013, in accordance with CGS Sec. 16a-30.

Legislative Affairs:

- Provided a broad range of support for the Governor's legislative proposals, including initial policy development, working with the General Assembly to advance the Governor's bills, and helping to implement new laws as passed.
- Collaborated with the General Assembly and the Governor's office to secure passage of key bills supporting the Governor's agenda. Most notably this included passage of a new biennial budget (FY 14 and FY 15), a state general and revenue bond package (and related legislation) and changes to foreclosure laws to better protect consumers.
- Worked closely with state agencies on their legislative proposals. With the Governor's office, the Legislative Affairs staff reviewed each state agency's package of legislative proposals, met with agency heads, reviewed and approved public hearing testimony, and helped manage agency legislative activities. Ensured agency actions were coordinated with the policies of OPM and the Governor.
- Monitored, worked with and advocated before several General Assembly committees, chiefly the Appropriations Committee (and its subcommittees), the Finance, Revenue

and Bonding Committee (and its subcommittees), and the committees on Planning and Development, Insurance and Real Estate, Banks, and Judiciary. Legislative Affairs staff also provided support to the Governor's office in other areas as was needed.

- Worked closely with Governor's office to review all legislation proposed by the General Assembly and inform legislative leaders of our positions.
- Provided information to media outlets, legislators, General Assembly staff and the public to explain and support the Governor's proposed budget, the enacted budget, and the impact of legislative proposals. Responded to daily requests for information about state government. Worked closely with the Governor's communications office to ensure a consistent and effective message.
- Gathered and helped evaluate requests by legislators and others for state bond commission approval.
- Evaluated and made recommendations concerning applications for assistance from the Small Town Economic Assistance Program (STEAP). Continued to offer small towns the option of having OPM administer their STEAP award utilizing an expedited reimbursement plan through a single point of contact.
- Helped implement legislation concerning public-private partnerships.

Labor Relations:

- Completed Interest Arbitration for a successor collective bargaining agreement with the NP-1 State Police bargaining unit. Began negotiations for a successor collective bargaining agreement with the NP-8 Correctional Supervisors unit.
- Began negotiations with the Personal Care attendants and Care for Kids/Day Care Providers.

- Successfully completed the 8 issues negotiations with District 1199 (NP-6 and P-1) pursuant to the 2011 SEBAC agreement.

- Provided training sessions for human resource professionals about labor relations and grievance handling, including as part of the DAS Human Resources certificate program, and specialized training on disciplinary investigations.

Administrative:

- Continued to use technology to streamline procedures and increase efficiencies. Examples during fiscal year 2013 included:
 - Fully automated the Elderly and Disabled Renters Rebate program for use by municipalities to collect applications online from certain renters age sixty-five or over, or renters under age sixty-five with a permanent disability. Under this program, renters apply to the assessor of the municipality in which the renter resides and the assessor forwards approved applications to OPM to process refunds. During fiscal year 2013, approximately 48,000 Connecticut citizens received a partial refund of rent and utility bills totaling over \$24 million.
 - Streamlined the process for executive branch agencies to submit their request to the OPM Budget Division for the quarterly allotment of funds necessary to carry out the purpose of appropriated funds.
 - Piloted an electronic Grants Management System (eGMS) for the Criminal Justice Policy and Planning Division. The system automates the entire grant administration process from collecting grant applications to disbursing grant funds as well as meeting federal reporting requirements. Upon evaluation of the pilot, the intent is to roll out eGMS to other executive branch agencies as well as other divisions in OPM.

Information Reported as Required by State Statute

- OPM is committed to complying with statutory requirements related to affirmative action and equal opportunity in employment and in the services OPM provides to the State of Connecticut. OPM's Affirmative Action Plan for the period ending June 30, 2011 was approved by the Commission on Human Rights and Opportunities at its January 11, 2012 meeting. The U.S. Department of Justice's Office of Civil Rights approved OPM's Equal Employment Opportunity Plan on April 2, 2013, which approval is effective for two years.

- OPM's Affirmative Action Plan for the period July 1, 2011 through June 30, 2013 is due to the Commission on Human Rights and Opportunities on October 30, 2013. Regarding the Affirmative Action Plan for the period ending June 30, 2013, OPM achieved 100% of its short-term hiring goals, 38% of its long-term hiring goals, and 100% of its promotional goals. In addition, OPM significantly exceeded Small/Minority Business Enterprise and Minority Business Enterprise goals. OPM new employees also attended diversity, sexual harassment prevention, and workplace violence prevention training.

- Fifteen students participated in OPM's Internship program, representing twelve different colleges and universities.

For further information on OPM activities, visit the OPM website at <http://www.ct.gov/opm>.