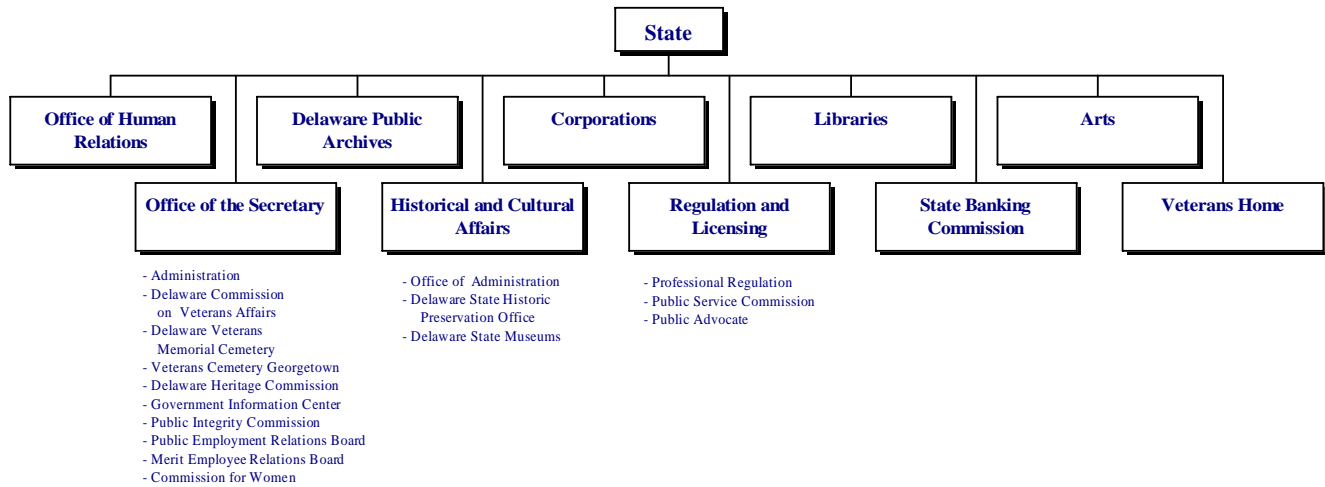


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MISSION

To strengthen the economy of the State; generate revenue; ensure citizen access to information; promote Delaware history and art; assist Delaware veterans and their families; promote equal opportunity and protection for all persons; provide regulatory and licensing services to protect the public welfare; and administer the State's public employment relations and ethics laws.

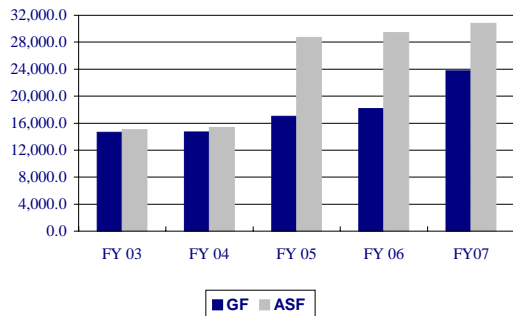
KEY OBJECTIVES

- Attract businesses to Delaware by coordinating marketing efforts with the Delaware Economic Development Office, Office of Management and Budget's International Trade and Development section, Diamond State Port Corporation, chambers of commerce, and others, and developing complementary products and services that leverage the State's existing reputation as a leading financial services center and the Corporate Capital of the World.
- Grow incorporations and banking revenues by maintaining an attractive and innovative regulatory and service environment.
- Promote citizen access to key information services including Delaware.gov, digital archives and the Delaware Library Catalog.
- Apply e-government solutions to boost productivity, enhance customer service, respond to changes in laws, and enhance the availability of on-line services and information.

- Improve the quality and increase the use of historic, recreational and cultural assets that make Delaware an attractive place to live, work and visit.
- Promote tourism by investing in the First State Heritage Park in Dover.
- Increase the number of eligible veterans and their dependents receiving services, and open and operate a state of the art Delaware Veterans Home.
- Promote amicable and supportive relationships among the citizens of Delaware by increasing public awareness of discriminatory practices and human rights.
- Ensure the timely and fair administration of rules, regulations and laws overseen by the Department.
- Expand outreach and educational services to consumers and state employees about various matters (financial services, utility services, government ethics laws, employment laws, etc.) handled through the Department.
- Boost the quality of the work environment and enhance safety, security and reliability by implementing comprehensive security, disaster recovery and business recovery plans, and by improving the physical plant of the Department's key operating facilities, data centers and historic sites.

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Five-Year Appropriation History



FUNDING

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 GOV. REC.
GF	19,291.8	23,756.3	34,827.8
ASF	24,892.4	30,797.4	31,563.8
TOTAL	44,184.2	54,553.7	66,391.6

POSITIONS

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 GOV. REC.
GF	139.1	290.1	408.6
ASF	220.5	233.5	237.5
NSF	24.9	19.9	19.9
TOTAL	384.5	543.5	666.0

- ◆ Recommend \$57.3 and 1.0 FTE Administrative Librarian in Libraries for statewide library technology initiatives.

CAPITAL BUDGET:

- ◆ Recommend \$350.0 for Museum Maintenance to allow the Division of Historical and Cultural Affairs to perform minor and emergency repairs, allowing eight museum sites to operate safely.
- ◆ Recommend \$750.0 for the Minor Capital Improvements and Equipment program to prevent the deterioration of various treasured historic buildings, grounds and museums, including improving the safety and environmental conditions of facilities.
- ◆ Recommend \$1,000.0 for a Library Construction Contingency Fund. These funds will be used to match the required fifty percent local contribution for library construction projects.

FY 2008 BUDGET HIGHLIGHTS

OPERATING BUDGET:

- ◆ Recommend \$9,951.9 and 112.5 FTEs to provide full-year operational funding and staffing for the Veterans Home.
- ◆ Recommend reallocation of the Delaware Commission for Women from the Department of Labor, Administration (60-01-03).
- ◆ Recommend \$139.1 ASF in Personnel Costs and 3.0 ASF FTEs (2.0 Corporation Specialist, 1.0 Corporations Section Manager) to handle increase in filings workload.
- ◆ Recommend \$64.2 ASF and 1.0 ASF FTE Senior Fiscal Administrative Officer to provide department-wide financial support.
- ◆ Recommend \$57.3 and 1.0 FTE Information Resources Manger in Delaware Public Archives to maintain electronic records.

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OFFICE OF THE SECRETARY
20-01-00

FUNDING

	FY 2006	FY 2007	FY 2008
	ACTUAL	BUDGET	GOV. REC.
GF	3,412.9	3,388.1	3,952.9
ASF	2,296.9	2,373.0	2,468.9
TOTAL	5,709.8	5,761.1	6,421.8

POSITIONS

	FY 2006	FY 2007	FY 2008
	ACTUAL	BUDGET	GOV. REC.
GF	42.0	43.0	47.0
ASF	11.0	11.0	12.0
NSF	5.0	--	--
TOTAL	58.0	54.0	59.0

ADMINISTRATION
20-01-01

MISSION

To provide leadership, support and centralized services to the divisions in meeting the overall objectives of the Department.

KEY OBJECTIVES

- Build brand awareness and recognition both domestically and internationally of Delaware's position as the Corporate Capital of the World.
- Provide leadership in efforts to leverage Delaware's international reputation to help attract complementary corporate, financial and legal services businesses.
- Provide direction and leadership in the area of citizen access to information by promoting use of existing library, archive and e-government services and advocating projects of strategic importance that will further enhance public access to governmental, educational and recreational information.
- Serve as a leading ambassador in promoting Delaware history, arts and culture.
- Provide effective financial, human resource, information technology, policy development, community relations, and administrative support to operating divisions of the Department.

- Implement automation improvements designed to continually improve business functions and communications capabilities.
- Provide support services to the Secretary of State related to official duties and functions on the Board of Pardons, Delaware Stadium Corporation, Diamond State Port Corporation, DEFAC, and other boards, committees and task forces.

BACKGROUND AND ACCOMPLISHMENTS

Comprised of Archives, Arts, State Bank Commissioner, Corporations, Government Information Center, Historical and Cultural Affairs, Human Relations, Libraries, Regulation and Licensing Services, Veterans Affairs, Veterans Home and various boards and commissions, the Secretary of State leads a diverse organization with responsibilities in many distinct areas. Through the mission assigned to various divisions and special responsibilities of the Secretary of State, the Department touches virtually every aspect of state government: economic development, finance, regulation, transportation and infrastructure, housing, education, culture, and quality of life issues.

In addition to providing direction to the various operating divisions, the Secretary of State provides policy guidance in a number of other areas. The Secretary serves as Chair of the Delaware Stadium Corporation and on the board of the Diamond State Port Corporation. In these roles, responsibilities include overseeing and maintaining the development of the stadium and the port to ensure their continued contributions to the State's economy. By virtue of the Delaware Constitution, the Secretary of State is the Secretary of the Board of Pardons. Under state law and various executive orders, the Secretary administers regulations affecting nearly 9,000 Delaware notary publics and actively participates in numerous public bodies including the Delaware Economic and Financial Advisory Council (DEFAC), Open Space Council and Biggs Museum Board.

Through the Division of Corporations and the State Bank Commissioner, the Department contributed \$802 million of net General Fund revenue in Fiscal Year 2006. The challenge facing the Department is to continue to maintain the State's leadership in the corporate, legal and banking services industries and to leverage those relationships to attract related businesses and industries.

Through the Delaware Public Archives, Division of Libraries and Government Information Center, the Department has the statutory responsibility to ensure citizen access to governmental, educational and

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recreational information. The Delaware Public Archives safeguards public records and made more than 12,600 new digital archival images available to the public in Fiscal Year 2006. Our libraries foster education and recreational enjoyment and last year served more than three million visitors and circulated more than five million books and other materials. The Delaware Government Information Center promotes easy and organized access to on-line information and resources, and recorded an average of 185,000 unique visitors a month to the State's web portal in Fiscal Year 2006.

Through Historical and Cultural Affairs, Archives, Arts, and Delaware Heritage Commission, the Department plays a major role in preserving and celebrating the past and exposing citizens and visitors to the State's rich culture and history. Archives, state museums, and conference centers hosted more than 106,000 visitors in Fiscal Year 2006 in their public exhibit and meeting spaces where the story of our democracy can be seen, touched and heard.

The Division of Arts supports creative expressions that inspire current generations and serve as lasting monuments to a free and democratic society. Division sponsored events and activities attracted more than one million participants last year.

Through the Division of Human Relations, the Department protects Delaware's citizens from discriminatory practices and promotes equal opportunity and protection for all persons. Each year, the Division participates in hundreds of outreach and educational activities.

Through the Division of Professional Regulation, Delaware Public Service Commission and Delaware Public Advocate, the Department provides regulatory, licensing, investigative, and consumer services to protect the public's health, safety and economic welfare. The Division of Professional Regulation (DPR) issues licenses to more than 57,000 professionals in Delaware. Last year DPR revamped its website to allow licensees to renew professional licenses on-line and soon customers will be able to apply for new licenses on-line. The Public Service Commission (PSC) currently has regulatory authority over 125 energy, telecommunications, water, and wastewater service providers and franchisees. The Delaware Public Advocate (DPA) represents the interests of utility customers before the PSC as well as other state and federal courts and administrative bodies. The PSC and DPA together handled 2,020 utility customer complaints in Fiscal Year 2006.

Through the Merit Employee Relations Board (MERB), Public Employment Relations Board (PERB) and Public

Integrity Commission (PIC), the Department administers state laws governing employment relations and ethics. In Fiscal Year 2006, both the PERB and PIC launched new websites and services designed to improve citizen access to statutes, regulations and on-line services.

The Commission of Veterans Affairs serves Delaware veterans through its administrative offices and the Delaware veterans memorial cemeteries. In the past two years, the Commission has played a key role in securing legislation to build the Veterans Home and to simplify veteran access to Statements of Military Service (DD-214). The Veterans Home at Milford Professional Park is expected to begin admitting patients in the spring of 2007.

ACTIVITIES

- Provide centralized services to operating divisions including financial, human resources, legislative, information technology, general administrative, and employee training.
- Provide direction and policy-making functions for operating divisions.
- Prepare budgets and control expenditures throughout the Department.
- Process applications, collect fees and commission notaries public.
- Promote employee recognition initiatives.

DELAWARE COMMISSION ON VETERANS AFFAIRS 20-01-02

MISSION

To assist, advise and represent Delaware's military veterans and their families regarding programs and benefits available to them under federal and state laws.

KEY OBJECTIVES

- Increase claims processed with the U.S. Department of Veterans Affairs on behalf of Delaware veterans and their dependents.
- Increase outreach services to veterans and their dependents.
- Increase the number of eligible veterans and their dependents referred to services provided by state and local agencies.

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BACKGROUND AND ACCOMPLISHMENTS

The Delaware Commission on Veterans Affairs (DCVA) was established in 1987 as an operational unit of the Department of State, Office of the Secretary. Its responsibilities include the protection and enhancement of federal and state benefits and entitlements to 80,751 Delaware veterans and their dependents.

The Commission continues to increase services to the approximately 35,530 veterans residing in Kent and Sussex counties who do not have access to the same level of resources as in the northern part of the State. State funded counseling services provided by People's Place in Milford improves the ability to provide access. Our mobile van, Veterans Service Center, continues making scheduled community visits further enhancing the delivery of services.

The Commission continues to strengthen veterans' involvement in small business development through the Small Business Administration (SBA) and Department of Veterans Affairs (DVA) workshops to veterans/disabled veterans interested in developing veteran owned small businesses.

The Commission continues to utilize technology for its benefits delivery network. The DCVA website was accessed 303,609 times during Fiscal Year 2006.

Accomplishments

- Maintain a home page that allows citizen access to services offered by the Commission and U.S. Department of Veterans Affairs.
- Publish THE CENTURION, a quarterly veterans' newsletter distributed to over 8,000 homes and other sites throughout the State. This publication is also accessible on the website.
- Improve access for veterans to obtain copies of their Statement of Military Service (DD-214).
- Distribute a State Veterans Benefit booklet to all veterans who claim Delaware as their home of record upon discharge from military service.
- Continue to award high school diplomas to deserving World War II veterans who left high school prior to graduation in order to serve in the armed forces of the United States.

ACTIVITIES

- Manage the claims processing system for veterans and their dependents and effectively monitor all

federal legislation vis-à-vis the U.S. Department of Veterans Affairs.

- Maintain a repository for all veterans' DD-214 or similar documentary verification of active military service.
- Continue annual activities associated with the Delaware Memorial Bridge and the honoring of veterans at ceremonies surrounding Memorial Day and Veterans Day.
- Continue outreach efforts conducted through the quarterly publication of *THE CENTURION*.
- Maintain informational systems that provide veterans with electronic access to benefits and entitlement information provided by federal and state governments.
- Maintain effective communication and participate in activities with other departments, divisions, non-profit organizations, and interstate departments of Veterans Affairs for the purpose of furthering issues beneficial to veterans and their dependents.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
# of claims processed	757	776	795
Outreach services to veterans and dependents	50,576	51,840	53,136
# of federal and state referrals	4,318	4,426	4,537

DELAWARE VETERANS MEMORIAL CEMETERY
20-01-03

MISSION

To provide services and a final resting place to those who served our state and nation.

KEY OBJECTIVES

- Increase the number of interments.
- Increase grave sites maintained.
- Increase pre-approved interment applications.

BACKGROUND AND ACCOMPLISHMENTS

The New Castle County Delaware Veterans Memorial Cemetery (DVMC) opened in October 1989. The cemetery has undergone a \$5.3 million vault expansion and infrastructure improvement project funded by the federal government. The project will increase the number of interment vaults by 6,000 and the number of

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columbarium niches by 700 to accommodate veterans for the next ten years.

Volunteerism plays an important part in the operation of the cemetery. Thousands of hours of assistance have been received from veterans groups, community organizations, youth organizations, and family members of the deceased. An estimated 42,500 citizens visit the cemetery annually.

Demand for cemetery services will remain strong for several years as World War II and Korean War veterans and their spouses continue to age. Staff will continue to reach out to the veteran population in an effort to make them aware of services offered.

Accomplishments

- Processed and approved over 27,000 total applications for burial.
- Effectively handled interments.
- Maintained a website that permits veterans to access/submit a burial application, check the status of their application and locate interment sites of those interred at the DVMC.

ACTIVITIES

- Maintain the 52-acre cemetery site as a memorial to those who have honorably served the State and country.
- Manage federal and state funds for various capital improvement projects at the cemetery and ensure quality workmanship on all projects.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
# of interments	678	695	712
# of gravesites maintained	9,321	10,016	10,728
# of cumulative pre-approved interment applications	18,484	18,946	19,420

VETERANS CEMETERY GEORGETOWN
20-01-04

MISSION

To provide services and a final resting place to those who served our state and nation.

KEY OBJECTIVES

- Increase the number of interments.

- Increase grave sites maintained.
- Increase pre-approved interment applications.
- Increase the number of available in-ground vaults and columbarium niches in Sussex County.

BACKGROUND AND ACCOMPLISHMENTS

The Sussex County Delaware Veterans Memorial Cemetery opened in October 1999. Outreach programs to veterans' organizations and other community-based groups in Kent and Sussex counties are ongoing.

Volunteerism plays an important part in the operation of the cemetery. Numerous hours of assistance have been received from veterans groups, community organizations, youth organizations, and family members of the deceased. It is estimated that at least 50,000 citizens visit the cemetery annually.

Demand for cemetery services will remain strong for several years as World War II, Korean War and Vietnam War veterans and their spouses continue to age. Staff will continue to reach out to all veterans and their dependents in an effort to raise awareness of state veteran services.

Accomplishments

- Processed and approved over 6,700 applications for burial at the Sussex County DVMC over the past 7 years.
- Effectively handled over 1,000 interments over the past 7 years.
- Maintain a website that permits veterans to access/submit a burial application, check the status of their application, and locate interment sites of those interred.

ACTIVITIES

- Maintain the DVMC site in Sussex County (65 acres) as a memorial to those who have honorably served the State and country.
- Manage federal and state funds for various capital improvement projects at the cemetery and ensure quality workmanship on all projects.

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PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
# of interments	214	219	224
# of gravesites maintained	1,225	1,444	1,668
# of cumulative pre-approved interment applications	5,549	5,688	5,830
# of ground vaults/columbarium niches	2,024	2,024	2,024

***DELAWARE HERITAGE COMMISSION
20-01-05***

MISSION

To promote and preserve Delaware history and heritage through the publication of books and public programming.

KEY OBJECTIVES

- Increase the number of outreach events.
- Increase attendance at the Delaware Book Fair and Authors Day.
- Train small museums and historical societies in the art of oral history each year.
- Increase the percentage of Commission books sold from inventory.

BACKGROUND AND ACCOMPLISHMENTS

Created by the General Assembly in 1971 to celebrate the 200th anniversary of the American Revolution, the Delaware Heritage Commission has continued to recognize significant events in Delaware history. It has expanded its mission to include the publication of books about Delaware history and heritage (including the Delaware Governors series); the development of a summer history and heritage camp for Delaware students ages 11-13; the training of Delawareans in the theory and practice of Oral History; small grants assistance to researchers of Delaware history; and working with other departments, agencies and local governments to provide a better understanding of democratic principles through knowledge of Delaware history and heritage.

Accomplishments

- Retooled the Commission's oral history seminars. Workshops are now tailored to groups and local historical societies. The staff successfully created

programs for the Lewes Historical Society, Downtown Genealogical Society and Marshallton Civic Association.

- The Commission successfully completed its important role in the Washington-Rochambeau Revolutionary Route with the assistance of several events honoring the historic march in 1781. The Commission provided grant funding, outreach, publicity, and attended events.
- The Commission was a founding partner in the Lewes 375 held in the summer of 2006.
- The office retooled the Hands on Heritage Camp by partnering with Greenbank Mill and the Division of Historical and Cultural Affairs.
- Reprinted the out of print book, Delaware: A Guide to the First State. Released a revised and updated edition of East of the Mason Dixon Line.

ACTIVITIES

- Maintain accessible and updated information on the Commission's website.
- Maintain accurate and up-to-date budget and accounting statistics and records.
- Reply to correspondence, phone and email messages daily within a timely manner.
- Support all historic preservation by local groups in search of such services.
- Assume a leadership role as the agency coordinating the historical and heritage events created and sponsored by other agencies with a history, preservation and heritage mission in Delaware.
- Generate book sales and promotional book events aimed at reducing the inventory of the Delaware Heritage Press book collection.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
# of outreach events	16	20	22
# of patrons at Delaware Book Fair and Authors Day	*	350	375
# of oral history training seminars	3	4	5
% of books sold from inventory	20	25	30

**Delaware Book Fair and Authors Day was not held in 2006 due to the new Delaware Book Festival.*

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GOVERNMENT INFORMATION CENTER
20-01-06

MISSION

To promote, easy and organized, citizen access to government services and information on-line.

KEY OBJECTIVES

- Promote 100 percent adoption of the Common Look and Feel website standard.
- Increase the number of monthly visitor's to Delaware's Portal.
- Increase the number of links in Delaware's Portal.
- Establish e-partnerships with all local and county governments.
- Promote an annual increase in the usage of specific on-line services.

BACKGROUND AND ACCOMPLISHMENTS

In Fiscal Year 2001, the Government Information Center (GIC) was created within the Office of the Secretary to assist the Department in meeting its statutory mandate of providing citizens with free and equal access to state, local and federal government information. The GIC works with state agencies, legislators, judicial agencies, the public, and others to improve the delivery of government services and information through Delaware's portal and other channels.

Accomplishments

- Delaware.gov was named the top state portal in the nation in 2005.
- Promulgated Website Common Look and Feel Standards to over 50 percent of the State's web pages.
- Launched more than 30 new on-line services including the Public Meeting Calendar, Virtual Tax Service Center, Polling Place Locator, On-line Delaware Code, Division of Motor Vehicles website, Division of Professional Regulations website, and the Delaware Digital Archives.
- Developed web publishing standards designed to improve the accessibility of state websites for the physically-disabled and others.
- Launched an enterprise-wide calendar for public meetings.

- Offered Writing for the Web course to state employees.
- Enabled on-line public commenting to proposed regulation changes.

ACTIVITIES

- Promote adherence to state standards at the First State Webmaster Association meetings.
- Offer web-related training to state agencies at no cost.
- Partner with DTI to create, modify and enforce state standards.
- Participate in outreach events to promote the use of Delaware.gov; encourage agencies to use Delaware.gov in advertising campaigns.
- Partner with local and county government offices to improve the web offerings to their content on Delaware.gov.
- Encourage state agencies to notify GIC staff of additions or updates to agency web content.
- Participate in quarterly municipal web developers meetings.
- Encourage the use of existing on-line resources and standards by local and county governments.
- Provide promotional materials to information intermediaries such as libraries and schools.
- Participate in outreach events to promote the use of Delaware's diverse collection of on-line resources.
- Provide informational speeches at civic organizations and conferences throughout Delaware.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
% of Common Look and Feel adoption	90	100	100
Increase portal links	1,497	1,572	1,650
# of monthly unique visitors to Delaware.gov	185,490	204,039	224,442
% of e-partnerships established	25	75	100
Fishing licenses on-line	1,522	1,674	1,842
Campsite reservations on-line	8,200	9,020	9,922
Employment applications on-line	19,686	21,654	23,820
# of subscribers on Delaware Information Subscription Service	12,540	12,937	14,231

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PUBLIC INTEGRITY COMMISSION
20-01-08

MISSION

The State Public Integrity Commission (PIC) by law, 29 Del. C., c. 58, is an independent agency with private citizens who work to instill the public's confidence in the integrity of its government by administering and enforcing state laws on: (1) ethics for the executive branch and local governments; (2) financial disclosures by senior level executive branch officials, legislators, judicial appointees, and candidates for state office; (3) dual compensation requirements for state and local officials holding two government positions; and (4) registration and expenditures by lobbyists representing entities before the General Assembly and state agencies.

KEY OBJECTIVES

- Increase the number of officials and citizens receiving training.
- Increase the percentage of opinions issued within 45 days.
- Increase the percentage of disclosures filed on-line.

BACKGROUND AND ACCOMPLISHMENTS

The Commission interprets the ethics law for more than 58,000 state employees, officials and appointees to state boards and commissions. It also has ethics jurisdiction over 52 local governments. The financial disclosure law applies to more than 300 officials; and the lobbying law applies to 257 lobbyists representing more than 528 employers and organizations.

In Fiscal Year 2006, the Commission interpreted 89 requests for advisory opinions and complaints against public officials, which is an increase of 46 percent over the previous year.

Of 257 lobbyists, 250 now submit their registrations, authorizations and quarterly reports to PIC's electronic database. This expedites the registration and filing process for lobbyists, and decreases PIC's costs for mail service, paper and personnel time spent issuing late notices, tracking expenditures and notifying public officers.

This fiscal year was the very first time public officers had the choice of filing on-line or hard copies. The database for on-line filing was created after passage of H.B. 104 in June 2005, which allows the Commission to accept electronic filings in lieu of paper filings. Out of

317 public officers, 144 filed on-line. Based on its prior success in obtaining a high percentage of lobbyists who filed on-line, PIC expects the number of public officers who file on-line to increase.

ACTIVITIES

- Issue written opinions on whether state employees, officers, honorary officials, agencies and lobbyists are complying with the ethics, financial disclosure and dual compensation laws in 29 Del. C., c. 58.
- Grant waivers if the literal application would not serve the public purpose of the Code of Conduct and/or if compliance would result in undue hardship on employees, officers or state agencies.
- Investigate and prosecute as necessary, violations of 29 Del. C., c. 58.
- Provide seminars and publications to aid in compliance with 29 Del. C., c. 58.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
# of people receiving training	435	430	450
% of opinions issued within 45 days	76	85	90
% of disclosures filed on-line	46	65	70

PUBLIC EMPLOYMENT RELATIONS BOARD
20-01-09

MISSION

The Public Employment Relations Board (PERB) provides timely, competent and trustworthy support for the collective bargaining process in order to promote harmonious and cooperative labor-management relationships between public employers and their employees, and protects the public by assuring the operations and functions of governmental entities are not interrupted by labor strife.

KEY OBJECTIVES

- Increase the percentage of disputes informally resolved through PERB facilitation.
- Increase the percentage of cases resolved within 90 days of filing.
- Increase use of electronic transmission and case processing.

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BACKGROUND AND ACCOMPLISHMENTS

PERB administers the Public School Employment Relations Act, Police Officers and Firefighters Employment Relations Act and Public Employment Relations Act.

PERB's case load is primarily a function of the public sector labor management environment. This environment is impacted by changing economic conditions; projected governmental surpluses or deficits; job cut-backs or freezes; governmental reorganizations; the tenor of the relationship between individual representatives of employer and employee groups; and the level of parties' acceptance of their roles in the labor-management relationship.

PERB's accomplishments include the effective implementation of the Binding Interest Arbitration process for the resolution of bargaining impasses for public employers and employees. PERB's adoption of the pre-hearing facilitation step resulted in a settlement rate of 90 percent of binding interest arbitration cases filed since Fiscal Year 2000.

PERB successfully launched its website in Fiscal Year 2006, making all forms, procedures, notices and decisions available electronically to the public. The website has been well received and has aided in reducing case processing time.

ACTIVITIES

- Investigate, hear and resolve (either through decision or settlement) unfair labor practice charges and requests for declaratory statements.
- Conduct representation elections and define appropriate bargaining units for representation of public employees in collective bargaining.
- Facilitate the resolution of negotiation impasses through mediation, fact-finding and binding interest arbitration.
- Administer the binding grievance arbitration panel for public school labor and management.
- Systematically encourage the use of alternative dispute resolution procedures to resolve unfair labor practice charges, representation questions and negotiation disputes whenever and wherever possible.
- Increase the number of public sector labor disputes resolved informally through PERB intervention and facilitation prior to the completion of formal case processing procedures.

- Develop processing and case line summaries which clarify Delaware public sector collective bargaining law.
- Develop and increase accessibility to PERB processes and decisions through electronic media.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
% of disputes informally resolved through PERB facilitation	40	40	45
% of cases resolved within 90 days of filing	55	60	60
% of PERB decisions available on website	55	100	100
# of cases using electronic filing and case processing	15	18	20
# of new cases filed	41	45	45
# of decisions issued	24	30	30

MERIT EMPLOYEE RELATIONS BOARD 20-01-10

MISSION

To resolve employee complaints by restoring any position, benefit or right denied as a consequence of a misapplication of 29 Del. C., c. 59, Delaware Merit System of Personnel Administration and the rules adopted pursuant thereto.

KEY OBJECTIVES

- Increase the percentage of cases heard within 150 days.
- Reduce the number of hearings that are rescheduled.

BACKGROUND AND ACCOMPLISHMENTS

The Merit Employee Relations Board (MERB) was created by passage of House Bill 518 during the 137th General Assembly.

The Board consists of five members representing all three counties with two members having a background in labor, two in management and a chair. The Board meets three times per month and every effort is made to hear cases in the order in which they are received. However, when appeals involve terminations, suspensions without pay or demotions, the rule of thumb is modified and these types of disciplinary appeals take precedence over other types of appeals.

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The Board continues its campaign to eliminate or otherwise reduce the backlog of grievances currently before it. The backlog of maintenance review appeals has been eliminated, and there are currently 33 active grievance appeals pending.

Accomplishments

- Thirty-one cases were received in Fiscal Year 2006, of those nine were adjudicated or resolved through settlement or withdraw. The remaining 22 have been scheduled for hearings through the remainder of calendar year 2006 and into 2007. During Fiscal Year 2006 MERB adjudicated, settled or withdrew some 25 cases that were submitted in Fiscal Year 2005. MERB has added extra hearing days to its schedule in an effort to keep up with the number of grievances submitted.

ACTIVITIES

- Serve as the final step in the Merit grievance procedure and in maintenance review appeals.
- Adopt or reject changes to the Merit Rules submitted by the Statewide Labor-Management Committee after a public hearing.
- Request that the director investigate problems or complaints arising from the impact of Merit policies and procedures on employees.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
% of cases scheduled within 150 days of receipt	50	65	75
% of cases not requiring rescheduling	60	75	85

**COMMISSION FOR WOMEN
20-01-11**

ACTIVITIES

- Monitor legislation, assist in policy and program development, facilitate departmental collaboration, and promote creative thinking and solutions to improve the quality of life of women in Delaware.
- Create and produce publications and resources responsive to the informational needs of women in Delaware.
- Plan and implement workshops and forums that facilitate dialogue, increase awareness and advance the issues important to the full participation of women in society.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
# of organizations using DCW resources	550	558	570
# of collaborators	74	74	74
# of meetings/forums/conferences	70	18	85
# resources/publications shared	15,200	15,450	16,000

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OFFICE OF HUMAN RELATIONS

20-02-00

MISSION

To ensure equal opportunity for all people of Delaware by protecting them against practices that discriminate based on race, color, age, sex, religion, marital status, national origin, creed, familial status, or persons with disabilities, so that all may enjoy the quality of life Delaware offers. This includes fostering amicable relationships among the various genders, as well as the racial, ethnic, religious, social, and cultural groups within the State, and to educate the community at large regarding discrimination, including sexual orientation and economic status.

KEY OBJECTIVES

- Close all housing complaints of discrimination within 100 days of the date received and filed within the office.
- Investigate, negotiate and settle all Equal Accommodation complaints of discrimination within 120 days of the date received and filed within the office.
- Increase the number of educational seminars, trainings and workshops.
- Increase the number of housing and equal accommodation conciliations.
- The State Human Relations Commission shall meet monthly and cooperate with the Governor, General Assembly, public agencies, officials, firms, corporations, civic groups and individuals in promoting amicable relationships among the various racial and cultural groups within the State.

BACKGROUND AND ACCOMPLISHMENTS

The State Human Relations Commission was created in 1961 to promote a climate of understanding among racial, cultural and ethnic groups in Delaware. The Governor appoints the 28 members of the Commission; seven members are appointed from each county, and seven members are appointed at-large.

In 1963 the Equal Accommodations Law was passed and in 1969 the Equal Rights to Housing Law was passed. In 1970 the Office of Human Relations was established to provide staff support to the Commission. The Commission acts as conciliator in matters involving race, age, marital status, familial status, color, sex, creed,

religion, national origin, or persons with disabilities; and to investigate, conduct surveys and studies and make recommendations to the Governor and General Assembly regarding updates to the statute.

The passage of the Delaware Fair Housing Act in 1992, and the Equal Accommodations Act in 1996, marked two important milestones for the Office of Human Relations. The Fair Housing Act allowed Delaware's Office of Human Relations to remain certified by the U. S. Department of Housing and Urban Development (HUD) as a substantially equivalent fair housing agency. As a result, the office is eligible for federal funding. The Act also permits a Human Relations Commission Panel, or Superior Court, to hear cases of alleged discrimination. The Delaware Fair Housing Act requires the State to provide legal representation for complainants who allege housing discrimination. The Equal Accommodations Act provides tougher penalties for those convicted of discrimination.

The Office of Human Relations handles approximately 200-250 complaints of discrimination, conducts approximately 250-300 outreach and education events, and mediates/conciliates approximately 100-150 community conflicts on a yearly basis.

Accomplishments

- Conducted and participated in 319 outreach and education events.
- Investigated, negotiated and settled 100 percent of all equal accommodation complaints within the 120 days mandate.
- Investigated, negotiated and settled 100 percent of all housing complaints within 100 days of the federal mandate.
- Successfully conciliated 80 percent of all housing and equal accommodations complaints of discrimination.
- Successful passage of the State Human Relations Commission's SB 41 legislation.
- The State Human Relations Commission established an 800-number and worked with the Governor's Office in creating a Public Service Announcement for Human Relations Awareness Month.

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FUNDING

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 GOV. REC.
GF	523.7	549.3	581.5
ASF	6.8	10.0	10.0
TOTAL	530.5	559.3	591.5

POSITIONS

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 GOV. REC.
GF	9.0	9.0	9.0
ASF	--	--	--
NSF	1.0	1.0	1.0
TOTAL	10.0	10.0	10.0

OFFICE OF HUMAN RELATIONS
20-02-01

ACTIVITIES

- Continually examine ongoing operations, public relations and legislative strategies for meeting our mission and goals.
- Annually seek substantial equivalency accreditation from the U. S. Department of Housing and Urban Development.
- Ongoing training of investigators in the areas of housing and equal accommodations investigation and negotiation.
- Continue to expand on the Division's media campaign and public relations programs, and network to strengthen human relations and improve the visibility of the State Human Relations Commission.
- Continue to develop and conduct civil and human rights training throughout the State and participate in community outreach to encourage and solicit input on civil and human rights issues.
- Continue to expand partnerships and collaborations with allies.
- Annually publish four quarterly newsletters and an annual report.
- Continue to update and develop educational materials.
- Serve as a community resource in each county for information on discrimination.
- Promote and encourage conciliation of housing and equal accommodation complaints.
- Make investigations, surveys and studies, and prepare reports and recommendations as it relates to neighborhood tension, prisons, school related issues, hate crimes, and police conflict.

- Assist in the development of a diverse workforce that reflects Delaware through the Governors Council for Equal Employment Opportunity.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
% of housing cases closed within the federal mandate	100	100	100
# of outreach/education events	330	347	364

DELAWARE PUBLIC ARCHIVES
20-03-00

MISSION

The Delaware Public Archives safeguards Delawareans right to know. We are entrusted to manage a valuable public asset, the records of our democracy that document the obligations and rights of citizens and enable them to judge the performance and accountability of public officials in carryout public policy.

KEY OBJECTIVES

- Increase online digital images.
- Begin accessioning of electronic records.
- Increase interactions with government records customers.
- Increase the number of citizens utilizing the Archives facility and website.

BACKGROUND AND ACCOMPLISHMENTS

The past decade has been one of change, growth and progress for the Delaware Public Archives (DPA). During this period DPA has planned and implemented a transition from the overcrowded and deteriorating conditions of the past to state of the art facilities that are among the finest in the nation. In addition to achieving the goals of providing a safe and proper location for our State's documentary heritage, DPA has expanded the use of these precious resources through an aggressive agenda of public programs.

In Fiscal Year 2006, more than 12,948 people visited DPA to conduct research, view exhibits, and attend workshops and special events. In Fiscal Year 2006, the DPA website logged 294,658 unique visitors, an increase of 36 percent over the previous fiscal year

The responsibilities of DPA include:

- Preserving state and local government records that possess legal, fiscal and historical value, thereby protecting the rights of Delaware citizens;
- Ensuring ongoing access to records of enduring value by managing their preservation and utilizing evolving technologies to promote their use;
- Promoting the availability and use of Delaware's rich documentary heritage;

- Celebrating the First State's history in creative and imaginative ways that stimulate a broader knowledge of Delaware's past; and
- Enforcing the proper management, maintenance and disposition of all state and local government records.

Accomplishments

- **Bill of Rights:** During Fiscal Year 2006 the Bill of Rights was returned to Delaware from the National Archives for the third time, and was placed on exhibit for the viewing public on Delaware Day, December 7, 2005. From December 2005 through July 4, 2006, 2,369 individuals viewed this historic document.
- **Historical Markers:** DPA administers the Delaware Historical Markers program. Since 1990, the average number of markers placed per year has grown from two to nearly 30. In Fiscal Year 2006, 31 new markers were unveiled. In Fiscal Year 2007, there are 29 scheduled dedications with more anticipated as the year progresses.
- **Digital Archives:** By the end of Fiscal Year 2006, DPA had placed a total of 12,642 scanned images on the web as part of the digital archives initiative.
- **Exhibits/First State Heritage Park:** The Hall of Records exhibition galleries were opened in December 2003, and now include three separate galleries highlighting Delaware's history and heritage. Archives continues to open its doors to visitors on Saturdays and most holidays in support of the First State Heritage Park.
- **Disaster Preparedness:** Recent activities have included the completion of a nationwide assessment of agency preparedness and the completion/distribution of a Pocket Response Plan to DPA employees for use in the event of emergencies.
- **Council on Archives:** During Fiscal Year 2006, DPA staff submitted a successful application to the National Historical Publications and Records Commission to support the activities of the Council.

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FUNDING

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 GOV. REC.
GF	2,596.0	2,725.3	2,770.3
ASF	389.9	407.9	407.9
TOTAL	2,985.9	3,133.2	3,178.2

POSITIONS

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 GOV. REC.
GF	29.0	29.0	30.0
ASF	6.0	6.0	6.0
NSF	--	--	--
TOTAL	35.0	35.0	36.0

***DELAWARE PUBLIC ARCHIVES
20-03-01***

ACTIVITIES

- Promote the availability and use of public records as a unique and invaluable source of information.
- Design, install and maintain exhibits relative to Delaware's history in the three exhibit galleries at DPA.
- Identify, collect and preserve public records of enduring historical and evidential value.
- Advise and educate state and local government officials and employees about the creation, management, use, and preservation of public records.
- Determine final disposition of all government records regardless of physical format.
- Administer a central state records management program to provide economical and secure agency records disposition.
- Provide staffing and administrative support for the Council on Archives.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
# of on-line digital images (cumulative)	12,642	14,254	16,071
# of customer interactions	9,964	10,960	12,056
# of citizens utilizing the facility	12,948	15,537	18,644
# of unique visitors (user sessions)	294,658	368,323	460,404

**REGULATION AND LICENSING
20-04-00**

FUNDING

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 GOV. REC.
GF	7.0	--	--
ASF	7,136.2	8,341.0	8,625.6
TOTAL	7,143.2	8,341.0	8,625.6

POSITIONS

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 GOV. REC.
GF	--	--	--
ASF	69.0	74.0	74.0
NSF	--	--	--
TOTAL	69.0	74.0	74.0

***PROFESSIONAL REGULATION
20-04-01***

MISSION

To ensure the protection of the public's health, safety and economic well-being through administrative and investigative services to Governor-appointed boards/commissions.

KEY OBJECTIVES

- Increase employee and customer satisfaction and maintain acceptable service levels during employee absences through a more equitable distribution of administrative duties and a team approach.
- Increase customer usage of on-line services offered through the Division's website.
- Eliminate excessive licensure files and document handling.
- Reduce the average number of days to resolve complaints from the public.

BACKGROUND AND ACCOMPLISHMENTS

Professional Regulation provides regulatory oversight for 33 boards/commissions, which are comprised of Governor-appointed public and professional members. The activities of this oversight include administrative, fiscal and investigative support for 44 professions, trades and events. The Division currently provides services for over 300 board/commission members and over 58,000

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licensees. Licensure fees fund the Division and the expenditures attributed to each licensing board.

Accomplishments

- In Fiscal Year 2006, the Division issued 10,005 licenses to new applicants and renewed 20,753 licenses, with a total licensee population of over 58,000.
- The Division implemented web components to support on-line renewals and license verifications.
- The number of complaints received by the Division continued to increase due to heightened public awareness and growth in the licensee population. The investigative unit screened 579 complaints, accepted 441 for investigation and completed 518 investigations.
- The Division coordinated and provided administrative support for more than 300 public meetings/hearings. Service was also provided for 3,075 walk-in customers with a 100 percent customer satisfaction rating.

ACTIVITIES

- Oversee all board/commission activities to ensure that testing, licensing, disciplinary proceedings, rule-making and other regulatory activities are completed in an efficient manner and in compliance with the Delaware Code and applicable rules and regulations.
- Respond to inquiries related to becoming licensed or from current licensees.
- Process and review license application information for board/commission approval.
- Issue and renew professional licenses.
- Investigate and track complaints received from those served by licensees.
- Process fiscal, budgetary documents, travel arrangements for each board/commission and conduct biennial fee setting analysis that reflect each boards' operating costs.
- Provide administrative support for public meetings and hearings.
- Coordinate with the Office of the Governor for board/commission member appointments.
- Provide orientation and annual training for board/commission members.
- Contract with professional testing services and national professional organizations to provide professional examination services for license applicants.

- Conduct and assist board members with license applicant examinations.
- Assist boards/commissions to draft legislation, coordinate meetings with stakeholders, obtain legislative sponsors, track and implement successful legislation.
- Determine eligibility for licensees seeking admittance into the Voluntary Treatment Option program, coordinate assessment/treatment with approved providers and monitor for compliance.
- Enter and update licensing data into the database to create individual licensing, complaint and investigation records.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
# and % of license renewals completed on-line	9,159 49	12,000 60	16,800 70
Average days to resolve complaints	69	67	65
# of unique website visitors per month	17,287	19,000	21,000
Customer satisfaction index (1-5 scale)	*	4.0	4.0
Employee satisfaction index (1-5 scale)	*	3.8	4.0

**New performance measure.*

PUBLIC SERVICE COMMISSION
20-04-02

MISSION

To regulate Delaware's investor-owned utilities by assuring they will provide safe and reliable services to their customers in a timely manner, at reasonable rates, which have been appropriately determined through staff review and investigation.

To make certain such regulation results in not only optimum benefits to the consumer, but to the utility, and ultimately, to the economic development of the State and to facilitate the transition of Delaware's utility industries from monopolistic to competitive markets, as the opportunities to do so arise; and to do so in a manner that continues to provide Delaware consumers with good quality of service at a reasonable price.

KEY OBJECTIVES

- Work towards accepting utility filings and other docket information electronically.
- Maintain docket files electronically and in a format that is easily searchable and secure.

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- Review all major utilities' quarterly financial data and investigate significant issues that arise from such review.
- Ensure that the utility's quarterly financial reports comply with the Public Service Commission's (PSC) order issued in the company's last base rate case.
- Maintain high satisfaction levels when PSC staff responds to complaints and inquiries made by regulated utility customers.

BACKGROUND AND ACCOMPLISHMENTS

The PSC is principally charged with the regulation of rates and services provided by investor-owned electric, natural gas, telephone, water, wastewater, and cable television utilities that serve customers in Delaware. In exercising its regulatory authority, the PSC recognizes that utilities are entitled to earn a fair return on their investments, while providing their customers with reliable and safe services at just and reasonable rates.

At present, the PSC has regulatory authority over 11 water suppliers, 13 wastewater utilities, five cable television franchises, two natural gas utilities, an electric utility, 21 electric suppliers, and 70 local exchange telephone service providers. In addition, the PSC has issued Certificates of Public Convenience and Necessity for 197 providers of intra-state, competitive telecommunications services. It also reviews the financial and tariff filings of these utilities. In Calendar Year 2005, the PSC opened 553 dockets, which resulted from formal filings made by utilities requesting or requiring Commission action.

Another responsibility of the PSC is resolving franchise-related disputes between new motor vehicle manufacturers and dealerships regarding the relocation of dealerships. It also conducts safety inspections of natural gas pipelines as part of a joint effort with the federal government to ensure the safety of those lines, and in turn the safety of natural gas operators and customers. The pipeline safety personnel conducted 220 inspections of pipelines in Delaware and handled two investigations of cases in which pipeline safety violations were alleged.

As one of its responsibilities, the PSC's Engineering and Compliance section handles numerous informal complaints from utility customers ranging from billing to major service disruption complaints. In Fiscal Year 2006, this section handled over 1,700 of these informal complaints compared to nearly 800 complaints handled in 1999. The PSC maintains a detailed database for

every customer contact; conducts quality control surveys; and utilizes computer software that can pinpoint clusters of complaints that may be received by the PSC relating to an individual utility.

Fiscal Year 2006 represented a new and extremely difficult stage in the PSC's efforts to manage the process of transitioning Delaware's electric industry to a competitive retail environment, which had begun with the enactment of the Electric Utility Restructuring Act of 1999. In accordance with the Act, the PSC initiated its process to select a standard offer service (SOS) provider(s) for Delmarva Power electricity customers who did not have the opportunity to choose an alternative electricity supplier or who decided not to select one after the rate caps were to be removed in May 2006. As a result of significant price increases, House Bill 6 was enacted in April 2006 for the purpose of developing short and long-term strategies to stabilize prices for Delmarva Power customers. The Commission is in the process of implementing several key aspects of this comprehensive legislation. As part of the deregulation process, the Commission has been deeply involved in a communications effort through its Consumer Energy Education group to provide electric consumers with information on how to manage their energy costs.

In the first quarter of 2006, Verizon Communications, Inc. (VCI) filed an application seeking approval of a cable television franchise to serve the unincorporated areas of the State. The Commission is expecting that over time, with appropriate rules, the entry of competitors such as VCI, could ultimately create a competitive market, which will promote greater efficiency and, consequently, better pricing for consumers.

In the past couple of years, the Commission has worked with Delmarva Power and Chesapeake Utilities Corporation to implement hedging programs in order to minimize price volatility experienced by their natural gas customers. While these programs cannot completely protect customers from the extreme market fluctuations, these programs have served to mitigate the extent of increases.

In July 2006, the PSC began conducting an investigation into the adequacy of the water supply of its two major regulated water utilities in northern New Castle County. This will be the first full-fledged investigation under the Water Self-Sufficiency Act of 2003, which requires these utilities to have a self-sufficient supply of water by 2010. The review will also assess the conservation efforts of these companies. In addition, the Commission

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is in the process of reviewing the rate case filings of its three major water utilities.

Accomplishments

- Due to the direct actions of the PSC and its staff, the number of electricity transmission congestion hours on the Delmarva Peninsula has been dramatically reduced from approximately 4,500 hours in 2001 to approximately 600 hours in 2004. The 600 hour level has been maintained since 2004 due to an agreement obtained in the PEPCO/Delmarva Power merger case and the institution of a congestion standard in the Commission’s minimum reliability standards for electric utilities concluded in 2006.
- In 2005-2006, the PSC participated in a regional transmission rate proceeding before the FERC to review the transmission rates for Delmarva Power. The wholesale rates derived through that process were then considered by the PSC. As a result of the process before the Federal Energy Regulatory Commission (FERC), transmission rates for retail customers of Delmarva Power in Delaware were reduced, on a temporary basis, by \$12.9 million. The decrease is expected to be made permanent by the end of this year. Also, pursuant to the 1999 Act and the 2002 settlement in the PEPCO/Delmarva Power merger, in September 2005 Delmarva Power filed its first full distribution rate case in fourteen years. As a result of an intensive investigation and evaluation, overall rates for Delmarva Power customers were reduced nearly \$11.1 million effective July 1, 2006.

ACTIVITIES

- Receive, investigate and respond to consumer inquiries with special emphasis on complaints.
- Review and process filings presented to the PSC by regulated utilities in a timely manner and by making fair and reasonable recommendations to the Commissioners.
- Ensure that the regulated utilities are providing safe and reliable service and are in compliance with local, state and federal regulations and law.
- Conduct conveniently located and time-sensitive public hearings, in the course of processing utility filings.
- Conduct safety inspections on natural gas and propane pipelines to ensure compliance with federal safety standards.
- Ensure that Class A regulated utilities’ financial performance is not in excess of its authorized rate of return.

- Monitor processes that can be computerized and implement necessary programs and procedures to accomplish the goal of reducing dependency on paper.
- Monitor state and national issues that affect the PSC and communicate these issues to staff and the commissioners.
- Manage public awareness campaigns for utility deregulation, energy efficiency and quality of service efforts.
- Oversee Delmarva Power’s SOS electricity procurement process, review its Integrated Resource Planning and balance rules to promote greater electric supply competition, while at the same time protecting consumer interests.
- Conduct investigations into the adequacy of supply of the two investor-owned water utilities in northern New Castle County.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
Customer satisfaction level (scale of 1-5)	4.4	>4.0	>4.0
Applications filed electronically:			
%	0.4	25	25
#	2	145	140
Dockets filed and maintained electronically:			
%	100	100	100
#	540	580	560
Major utilities having their rate of return reports reviewed semi-annually:			
%	44	89	100
#	4	8	9

**PUBLIC ADVOCATE
20-04-03**

MISSION

The Division of the Public Advocate (DPA) represents and serves the interests of all Delaware utility consumers before the Public Service Commission of Delaware (PSC), state and federal courts, and federal administrative and regulatory agencies in matters involving rates, services and practices of regulated public utilities. The DPA advocates the lowest reasonable utility rates for consumers, consistent with the maintenance of adequate and reliable utility service, while maintaining an equitable distribution of rates among all classes of consumers.

KEY OBJECTIVES

- Increase public outreach by conducting town hall meetings in each county, and increase visitor sessions on the DPA's informational website.
- Maintain the historical minimum standards of system average interruption frequency index (SAIDI) and customer average interruption frequency index (CAIFI), of electric reliability, established under the traditional regulated environment.
- Ensure Delaware electric consumers receive the benefits of region-wide transmissions investments in reduced congestion costs.
- Apply downward pressure on electric rates by reducing the growth in peak load as well as overall load by implementing new customer-demand response programs.

BACKGROUND AND ACCOMPLISHMENTS

DPA is active in all phases of policy making and regulatory proceedings implementing the 2005 Federal Energy Policy Act (EPACT) and the Delaware Electric Retail Customer Supply Act of 2006 which are ongoing over the next 6 years. DPA is the only non-industry sector voting member in the PJM (a regional transmission organization that coordinates the movement of wholesale electricity in all or parts of Delaware and the surrounding states) stakeholder process for Delaware electric customers. DPA is empowered to shape the market model for the PJM wholesale market. Delaware continues to import over 50 percent of its electric load, thus the State is dependent on an efficient wholesale market for pricing, reliability and adequate supply.

Electric restructuring has changed DPA's role in electric industry ratemaking by requiring DPA to be more active at the regional and federal levels. At least 60 percent of Delaware consumers' overall electric charges will be determined outside the Delaware regulatory process before entities such as these.

DPA will continue with its traditional role with electric utility ratemaking for distribution charges. This role has expanded with the enactment of the Delaware Electric Retail Customer Supply Act of 2006 with regard to Delmarva's procurement of power supply. This legislation requires Delmarva Power to procure supply for Delaware customers with an integrated resource plan for power supply, approved by the PSC. The DPA will represent consumers in these proceedings.

In telecommunications, Verizon has elected to be regulated pursuant to the 1995 Telecommunications Technology Investment Act (TTIA), until at least 2011. Thus, DPA will continue its role with annual price cap filings, service reclassifications and competitive service investigations in regards to the fair competition imputation standard set forth in the TTIA.

DPA needs to be an active participant before the FCC with regard to Universal Service Funding for telecommunication services throughout the United States and its territories. DPA will continue with its participation in the proceedings before the Universal Service Administration Council, in order to remedy this injustice.

Accomplishments

- **Saved Delaware ratepayers millions of dollars** - Between 1999 and 2004, DPA negotiated fourteen settlements with the utilities in which the average rate increase requested was \$10.6 million and the average final settlement was \$5.9 million, a 44 percent reduction in rate increase awards over the amount.
- **Reduced the costs of utility rate filings** - In 2005-2006, DPA negotiated and litigated three rate cases in which the total requested amount was \$14 million. The total net amount awarded was \$4.6 million. In one case, the rate request was reduced by 50 percent, and in another the requested increase of \$3 million resulted in an \$11 million decrease.
- **Protected consumers from utility shut-offs during extreme weather** - DPA successfully solicited the PSC to re-open a rulemaking proceeding in which the then existing rules allowed an electric utility to disconnect service to a residence, as long as the temperature at 8 a.m. that day was not below 22 degrees Fahrenheit. DPA persuaded the PSC to increase this threshold to 32 degrees, as well as add a heat index threshold of 105 degrees during the summer months.
- **Required land developers to pay their share of utility expansion costs** - DPA successfully petitioned the PSC to re-open Regulation Docket 15 which dealt with regulated water utilities. The modified rules now require at least \$1,500 per home be collected by the water utility from developers to more accurately recover costs from the new homes, which were the primary cause of the additional cost of providing service.

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- **Kept wholesale energy rates reasonable** - DPA successfully petitioned the FERC to intervene as a party in a proceeding and design a fair market model for PJM so that Delaware customers would not be victims of capacity withholding by paying above market rates for electric power.
- **Helped restore consumer protection to telephone billing** - DPA was among the successful parties in the appeal of FCC Docket 98-00170 Truth-in-billing. The 11th circuit vacated the FCC's order which ruled that states lacked jurisdiction in regard to line items on customer telephone bills. The Court reversed the FCC's order barring states from requiring carriers to fully disclose what the billing surcharges are and how they are disbursed.

ACTIVITIES

- Continue vigorous engagement in all aspects of public utility regulation at both the local and national levels.
- Investigate and track consumer inquiries and complaints; conduct and attend statewide public comment sessions and workgroup meetings.
- Update and expand DPA's website providing the public with new policy developments and emerging issues with regard to utility services in the State and region.
- Participate in DPA's statutory tasks, i.e., the Water Supply Coordinating Council, Governor's Energy Council, and Green Energy Endowment program.
- Participate in regional and national stakeholder groups, such as, the Regional Greenhouse Gas Initiative, National Energy Reliability Council, Generation Resource Adequacy, and PJM Members Committee.
- Utilize DPA's empowerment as a voting member of PJM to ensure that sufficient collars are put on the cost of new entry of generation assets in regard to the flow through charges to retail customers.
- Participate in PSC proceedings that modify the current SOS procurement process in Delaware to provide a seamless transition for retail customers to choose a new supplier.
- Educate consumers about their potential energy savings by incorporating load management into their households.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
# of town hall meetings	6	6	8
# of visitor sessions on DPA website	36,600	43,000	52,000
\$ congestion cost reductions for PJM zone (millions)	0	19.2	22.5

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20-00-00

CORPORATIONS
20-05-00

MISSION

Maintain our status as the worldwide corporate and alternative business entity domicile of choice. Create corporations and alternative business entities, and generate revenue for the State of Delaware through the collection of entity taxes and fees as well as Uniform Commercial Code (UCC) filing and search fees. To provide superior services for our customers in order to attract and maintain incorporations and alternate business entities in Delaware and thereby, promote a strong economy.

KEY OBJECTIVES

- Increase the number of entities domiciled in the State.
- Increase the use of electronic UCC filings.
- Increase the receipt of electronic tax payments.
- Begin development of the Integrated Corporations Information System (ICIS).
- Reduce employee errors as measured by internal reporting systems.

BACKGROUND AND ACCOMPLISHMENTS

The challenge facing the Department over the next three years is to continue to maintain the State's leadership in the corporate and business entity service industry by attracting businesses and industries to the State. We will continue to do this by building brand awareness and recognition both domestically and internationally of Delaware's position as the Corporate Capital of the World. We must also continue to provide leadership in efforts to leverage Delaware's international reputation to help attract complementary businesses to be created and located in Delaware. These efforts should enhance the likelihood of generating increased revenue for the State.

Revenue collected by the Division accounted for 21 percent of the State's general fund revenue in Fiscal Year 2006. The success in generating such substantial state revenue is attributable to several factors including: the excellent business climate that Delaware offers; the foundation of over 100 years of state corporate law; the prestigious Delaware Court of Chancery; ongoing marketing initiatives; a state of the art information processing system; a cooperative legislature that

responds quickly to necessary changes in the law; and a history of excellent customer service provided by the Division staff.

A primary focus of Corporations will continue to be customer service and enhancing current technology. To improve operations, the Division is continually upgrading technology and implementing enhancements to its website. The Division is also committed to maintaining a professional, well-trained staff.

The Division continues to experience growth in UCC filings, and new formations of limited liability companies and statutory trusts. The Division continues to work with its partners, including corporate attorneys, registered agents, the General Assembly, legal scholars, and others to ensure that every marketing opportunity is fully explored and every opportunity to improve efficiency is implemented so the Division is well-positioned as the economy continues to grow.

Accomplishments

- Increased the net number of business entities in Delaware by 10.6 percent or 69,422 in Fiscal Year 2006.
- Handled a 14.7 percent increase, or 18,393, in new business entity formation filings, and a 7.1 percent increase, or 13,096, in UCC filing volumes.
- Improved customer service with new on-line service offerings such as filing fee calculators, amended annual reports and certificate validations.
- Improved efficiency by significantly increasing the percentage of customers using electronic filings in Fiscal Year 2006.
- Enhanced the State's reputation by initiating new legislation increasing homeland security and fraudulent activity protection.

FUNDING

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
GF	7.0	--	--
ASF	11,696.8	15,917.7	16,273.5
TOTAL	11,703.8	15,917.7	16,273.5

POSITIONS

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
GF	--	--	--
ASF	95.0	101.0	104.0
NSF	--	--	--
TOTAL	95.0	101.0	104.0

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**CORPORATIONS
20-05-01**

ACTIVITIES

- Incorporate and form business entities under the Laws of Delaware.
- Maintain official records of incorporation, business formation and UCC filings.
- Generate revenue through collection of franchise taxes and other fees.
- Initiate necessary changes to Delaware and general corporate law and other business entity statutes.
- Market the attractiveness of incorporating in Delaware.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
# of entities domiciled in DE (thousands)	705.0	781.9	828.8
\$ of Corporations net General Fund revenue (millions)	671.0	710.8	752.0
Customer service score	9.2	9.4	9.6
% of UCC e-Corp filings	43.4	47.1	51.0
% of tax payment \$ collected on-line	22.5	27.5	32.5

**HISTORICAL AND CULTURAL AFFAIRS
20-06-00**

MISSION

To enrich the quality of life for all Delawareans by preserving Delaware's unique historical heritage, fostering community stability and economic vitality, and providing educational programs and assistance to the general public on Delaware history and heritage.

KEY OBJECTIVES

- Increase management control over all objects, artifacts, sites and other materials in the areas of intellectual and management control, temperature and humidity, security, and site management plans and environmental reviews.
- Establish five software program monitoring controls for Historical and Cultural Affairs (HCA) properties and collections; as a means to identify the scope of HCA's collections, cultural documents, sites, exhibits, and interpretive plans.
- Develop and implement a qualitative evaluation tool to measure customer satisfaction, and devise other strategies that increase visitation and usage of HCA's sites, museums and historical preservation services.
- Increase professional development hours of HCA staff in history-related disciplines within the Division.

BACKGROUND AND ACCOMPLISHMENTS

The Division fosters historic preservation of the State's rich cultural resources through historical research, stewardship, management of historic properties, interpretation and public education.

To meet HCA's mission, the staff of HCA includes archaeologists, architectural historians, curators, education specialists, fiscal and grant experts, historians, historical interpreters, horticulturists, and preservation tradesmen.

HCA has oversight for the management of 32 historic properties and adjacent lands across the State, including the operation of eight museums, two conference centers, a visitor center, and seven museum history stores. Historic properties under the care of HCA include schools, courthouses, lighthouses, homes, mills, and a (former) church. HCA actively partners with other

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history-minded organizations in the management of some of these properties.

Additionally, HCA cares for more than 90,000 objects in its museums collections and approximately four million artifacts in its archaeological collections. These collections are placed at more than 20 additional sites across the State and include the public exhibition of items in government offices, courthouses and other publicly-owned venues.

HCA's programs include reviews for federally-funded projects which may affect historical and cultural resources. In addition, HCA leads efforts in securing property nominations to the National Register of Historic Places; assists local governments in obtaining Certified Local Government designation for federal grant eligibility; annually administers \$5.0 million in state tax credits for historic preservation; leads planning efforts upon the discovery of unmarked human remains; monitors and stewards the State's interests in property and agricultural leases, as well as 41 historic preservation easements and covenants that include buildings, archaeological sites and a lighthouse; and provides technical assistance on a wide variety of history-related inquiries from the public.

Accomplishments

- **Business Controls** - Achieved expenditure controls through rigorous review of budgetary operations, setting workload priorities and instituting firm management controls for purchase requests. Improved compliance with federal grant agency reporting, ensuring timely reporting of Historic Preservation Fund grant activities and related data requests.
- **Preservation Incentives** - Awarded \$5.0 million in State Historic Preservation Tax Credits for projects revitalizing historic properties in Delaware communities. Administered Federal Historic Preservation Fund grants of \$95,000 to assist in local historic site survey, preparation of National Register nominations, review of land use plans for effects on historic resources and educational outreach.
- **Preservation Environmental Reviews** - Received 546 environmental review cases from such varied federal agencies as the Army Corps of Engineers, Housing and Urban Development, Department of Agriculture and the Federal Communications Commission during Fiscal Year 2006, and brought 503 of these cases to full closure in Fiscal Year 2006. Provided reviews and comments for 150 Preliminary Land Use Plans (PLUS), 16 of which concerned local governments' comprehensive plans.
- **Historic Preservation Designations** - Listed four properties in Wilmington, Newark and Claymont, including the Hickman Row Historic District, to the National Register of Historic Places. Established new certified local governments in Lewes and Delaware City.
- **Preservation Technical Assistance** - Assisted the Overfalls Maritime Museum Foundation in securing a Save America's Treasures grant of \$300,000 for the Lightship Overfalls Restoration project and assisted the Friends of Bellanca in securing a \$250,000 Save America's Treasures grant for preservation of the Air Service Hangar at Bellanca Airfield.
- **Preservation and Museums Outreach** - Sponsored a statewide preservation conference in Dover on the economic benefits of historic preservation with more than 300 people attending. Coordinated archaeology awareness programs with statewide events attended by 14,264 people. Redesigned and enhanced the format and content of HCA's website to provide ease of use and better alignment of information on HCA's programs, services and events.
- **Visitation** - Welcomed 84,000 people to HCA's eight museums, visitor center and historic sites and serviced over 10,000 people at HCA's two conference centers.
- **Museum Exhibits** - Researched, designed and installed a major exhibit at the State Visitor Center featuring 25 years of HCA research on African-American history in Delaware, with a companion exhibit in Legislative Hall. Researched, designed and installed a major exhibit on the history of Lewes at the Zwaanendael Museum celebrating Lewes' 375th anniversary and companion exhibits on the War of 1812 and the Lewes Shipwreck project. Provided technical assistance to the Bear Trap Community's History Committee on development of an exhibit on that area's history.
- **Museum and Historic Property Restoration** - Awarded contracts for restoration projects at HCA owned properties that included the State House Museum in Dover, New Castle Courthouse Museum, New Castle Academy, and Fenwick Island Lighthouse. Completed restoration of the formal gardens at the John Dickinson Plantation.

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FUNDING

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 GOV. REC.
GF	3,876.1	3,259.4	3,466.4
ASF	282.7	349.7	349.7
TOTAL	4,158.8	3,609.1	3,816.1

POSITIONS

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 GOV. REC.
GF	41.1	41.1	41.1
ASF	1.5	1.5	1.5
NSF	6.9	6.9	6.9
TOTAL	49.5	49.5	49.5

**OFFICE OF ADMINISTRATION
20-06-01**

ACTIVITIES

- Adopt collection policy with acquisition, loan and de-accessioning procedures.
- Use PastPerfect software to maintain intellectual control over objects and artifacts at the collection level.
- Store all collections in facilities with temperature, humidity and security controls in place.
- Use MPulse software to maintain condition assessment and site management plans for each HCA site.
- Use environmental review tracking and monitoring reports.
- Use horticultural plans that interpret HCA's historic gardens and landscapes.
- Use facilities management software to maintain control over building site environment plans and construction updates.
- Ensure compliance with accounting and purchasing regulations.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
% of sites/collections managed under a management control/maintenance/reservation program	0	30	60
# HCA staff hours in professional development opportunities	*	*	428

*New Performance Measure.

**DELAWARE STATE HISTORIC PRESERVATION
OFFICE
20-06-03**

ACTIVITIES

- Create an oral, printed and on-line interpretative program for all HCA museums.
- Create an on-line companion exhibit for all gallery spaces.
- Create an on-line public catalog of all library and archival materials, objects and artifacts, and sites.
- Create an on-line catalog of property-related files.
- Create a Cultural History Resource Information System.
- Provide technical assistance or triage upon request and document.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
# of management software programs implemented and/or expanded	1	2	3

**DELAWARE STATE MUSEUMS
20-06-04**

ACTIVITIES

- Use and foster existing brand in all public educational programming.
- Develop a standard look-and-feel for programmatic and site brochures.
- Develop new special events and reinvigorate established events.
- Develop new educational materials based upon new technological advances.
- Foster education and interpretation to a wider public forum.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
% of visitors satisfied with experience at sites/museums/on-line services	*	*	75
# of visitors:			
Conference centers	10,288	12,650	13,283
Museums	83,992	83,305	87,470
First State Heritage Park	14,235	14,947	15,694
# of website visitor sessions	60,223	78,290	101,777

*New Performance Measure.

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ARTS 20-07-00

MISSION

The Delaware Division of the Arts is a state agency dedicated to nurturing and supporting the arts to enhance the quality of life for all Delawareans.

KEY OBJECTIVES

- Increase financial resources directly available to the field through the Division of Arts and funding partners.
- Engage the Division's nonprofit arts grantees in professional development networking opportunities.
- Establish a baseline measure of community support for the arts and grow support levels.
- Increase the volume of visits to the website.
- Increase the volume of arts information available to the public by issuing at least one sector-wide report annually.

BACKGROUND AND ACCOMPLISHMENTS

The Division of Arts supports the nonprofit arts sector, artists, schools and the general public by providing grants and technical assistance to our constituents as well as publicizing arts programs and events throughout Delaware. The Division is advised by the Delaware State Arts Council, a body of 16 members appointed by the Governor and representing communities throughout Delaware. An overview of our core services: grant-making, technical assistance and publicity is outlined below.

As a grant-making organization, we have focused our efforts on streamlining the application and review process, offering new grant programs to support the needs of the field and generating greater awareness of our grant programs. This past year the Division implemented two new programs: Public Impact grants to recognize exemplary work in the areas of community impact and audience development, and Cultural Access grants to help arts organizations make their programs more accessible to people with disabilities. The Division has also increased funding available to individual artists for fellowships and has implemented an e-grant system for fellowship applications.

Accomplishments

Grant Making

- Awarded a total of \$1.15 million to arts organizations, \$118,000 to community organizations, \$83,000 to arts initiatives in underserved areas, \$65,000 to individual artists and \$132,000 to arts education programs.
- Garnered an increase of \$325,000 in financial support for arts grants from public and private sources.
- Recognized organizations doing exemplary work in the areas of audience development and community impact by establishing a new Public Impact grant. Nine arts organizations from across the State received \$10,000 each in this highly competitive category.
- Increased access to financial resources for Delaware arts providers by expanding our collaboration with the Mid-Atlantic Arts Foundation, resulting in seven grants and \$12,000 from the Foundation for Delaware arts presenters.
- Fostered public art projects by providing advisory services and/or direct financial support in Wilmington, Dover and Rehoboth.

Technical Assistance

- Strengthened the capacity of arts organizations by collaborating with the Nonprofit Finance Fund to provide financial management, facilities planning, and fundraising expertise, through workshops and one-on-one consultations with twenty organizations from across the State.
- Fostered the professional development of 16 individual artists by hosting a three-day writing retreat for masters-level poets and fiction writers.
- Facilitated collaborations on programming and cross promotion of independent film programs in Delaware by convening a statewide network of film presenters.

Publicity and Promotion

- Increased public access to information about the arts by continuing to publish Art Guide, a publication which promotes art exhibits, programs and events throughout the State.
- Implemented Heartbeat of the Arts, featuring reviews and opinions of arts events; and Delaware, State of the Arts pod casts of radio interviews with artists and arts providers in the State.

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- Continued to enhance the Division's web-based, searchable artist roster that allows Delaware artists to apply, update their information and submit work samples on-line. The roster is designed to facilitate access to Delaware artists by local, regional and national arts presenters.

Public Participation

- Sponsored readings and public appearances by Poet Laureate Fleda Brown in schools and community gatherings throughout the State.
- Coordinated the national poetry recitation contest, Poetry Out Loud, for high school students in Delaware. The program encouraged high school students to memorize and perform great poems, helped students master public speaking skills and build self-confidence.
- Partnered with the Department of Education, Division of Libraries, First State Heritage Park, Delaware Folk Life program, Division of Parks and Recreation, and local municipalities to encourage arts programming in community settings.

FUNDING

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 GOV. REC.
GF	1,874.4	2,059.4	2,085.1
ASF	--	--	--
TOTAL	1,874.4	2,059.4	2085.1

POSITIONS

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 GOV. REC.
GF	6.0	6.0	6.0
ASF	--	--	--
NSF	3.0	3.0	3.0
TOTAL	9.0	9.0	9.0

**OFFICE OF THE DIRECTOR
20-07-01**

ACTIVITIES

- Serve as a resource to the arts community in Delaware, providing financial and technical support to arts organizations, community-based organizations and artists.
- Convene citizen panels to review the merits of grant applications; coordinate on-site visits and evaluations of grantee programs and convene the Delaware State Arts Council to make annual funding recommendations.

- Monitor and distribute income, in the form of grants, from the Delaware Arts Stabilization Fund.
- Plan and execute statewide events that celebrate the arts and/or provide training/networking opportunities for the arts community.
- Promote the arts through division-sponsored initiatives such as the Art Guide, Artline and the Division's website.
- Promote Delaware artists through Mezzanine Gallery exhibitions and performances; issuing artist fellowship grants; coordinating the Poet Laureate's appearances; and compiling the Delaware Artist Roster.
- Research trends, funding initiatives and grant opportunities for the Division and its constituents, leading to development and implementation of division-wide arts policy for Delaware.
- Research and implement advancing technologies in list serves, e-granting and e-government initiatives.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
\$ of financial resources for grants (millions)	1.53	1.86	1.9
% of grantees engaged in professional development activities	*	40	60
# of communities served	23	21	23
# of visitor sessions to DDOA website	51,248	53,800	56,500

**New Performance Measure.*

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LIBRARIES 20-08-00

MISSION

To provide leadership and support for the timely development of Delaware's libraries to ensure convenient and affordable access to, and encourage use of, current information resources and reading material by all Delawareans.

KEY OBJECTIVES

The Delaware Division of Libraries' Strategic Plan reflects the first steps in implementing the recommendations in the Statewide Master Plan/Study for Library Services and Construction and the opportunities for improvement identified by examiners for the Delaware Quality Award. The strategic objectives for Delaware libraries include:

- Increase the number of library card holders.
- Increase the capacity of library buildings.
- Progress to fully implement contemporary state of the art library technologies.
- Foster leadership and innovation in library staff through learning and growth opportunities to support annual library development and user needs.

BACKGROUND AND ACCOMPLISHMENTS

The services and programs of Delaware's public libraries and the Division of Libraries are heavily used. Delaware public libraries recorded more than 3.8 million visits, answered more than 516,000 reference questions and circulated more than 5.3 million books and other materials during 2005.

The State has provided significant funding to support public libraries including: state aid for operating expenditures, library construction, library technologies, and the Librarian/Archivist Scholarship Loan program. Delaware is ranked 9th in the nation for state per capita library income, which increased by 100 percent from \$2.2 million in Fiscal Year 2001 to more than \$4.4 million in Fiscal Year 2007.

The Division of Libraries administers the Library Standards program, a critical source of funding for public libraries. State grants allow public libraries to purchase materials for their collections and support library technologies. The Division also administers the Delaware Public Library Construction Assistance Act

that provides up to 50 percent of the cost to build, expand or renovate public library buildings, administering \$38 million of library construction grants over the last decade. The Delaware Public Library Technology Assistance Act provides support for upgrades and integration of new library technology. The Public Library Computer Replacement program enables replacement of all of the public access computers in public libraries every three years.

Phase I of the Delaware Library Catalog www.lib.de.us went live in March 2006, and provides seamless access to the holdings of 23 libraries including all of the public libraries in Kent and Sussex counties, Del Tech, Wesley College, Delaware Public Archives, and Division of Libraries.

DeLAWARE library on-line resources contains thousands of full text magazines, newspapers, e-audio books, reference sources, and directories, as well as specialized databases for testing, genealogy and local and state history. In Fiscal Year 2006, DeLAWARE recorded more than 850,000 searches and more than 15.5 million views/downloads.

The virtual reference service, AnswerOnLine, provides live assistance to Delawareans by reference librarians and is available through the State web portal 24 hours per day, seven days per week.

The Delaware Library for the Blind and Physically Handicapped (LBPH) is part of the network of the National Library Service for the Blind and Physically Handicapped of the Library of Congress and provides talking books and playback equipment on loan through the mail to persons who are unable to read standard print due to a visual, physical or learning disability. The LBPH circulated 48,734 talking books to over 1,300 Delawareans unable to read print resources.

The Delaware Center for the Book is a designated state center of the Library of Congress as an umbrella organization to facilitate collaboration among all entities promoting libraries and reading in Delaware. The Delaware Summer Library Reading program encourages children to read over the summer and helps them to maintain their reading skills. More than 14,000 children participate in the annual program.

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FUNDING

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 Gov. REC.
GF	6,994.9	7,682.5	7,743.6
ASF	--	--	--
TOTAL	6,994.9	7,682.5	7,743.6

POSITIONS

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 Gov. REC.
GF	12.0	12.0	13.0
ASF	--	--	--
NSF	9.0	9.0	9.0
TOTAL	21.0	21.0	22.0

**LIBRARIES
20-08-01**

ACTIVITIES

- Administer the Federal Library Services and Technology Act Five Year Plan.
- Administer the Library Standards funds.
- Administer the Delaware Public Library Construction Assistance Act program.
- Establish the anchor library concept in each county.
- Administer the Delaware Public Library Technology Assistance Act program.
- Continue expansion statewide of the Delaware Library Catalog, integrating public, school, academic, and special library catalogs.
- Support DeLAWARE library electronic resources.
- Administer the Delaware Library Technology Education Center.
- Administer the Delaware Library for the Blind and Physically Handicapped.
- Coordinate the annual Delaware Book Festival.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
# of library card holders	352,234	375,000	400,000
library square footage	376,964	392,864	413,167
# of library computer users	26,450	30,000	35,000
# of professional development enrollments	462	500	525

**VETERANS HOME
20-09-00**

MISSION

Provide outstanding long-term care services to Delaware Veterans that uphold dignity and respect while sustaining and improving their quality of life.

KEY OBJECTIVES

- Ensure that residents and family members surveyed are satisfied with the care they receive at the Delaware Veterans Home (DVH).
- Ensure nursing care standards and quality, as measured by the facility's performance during periodic surveys conducted by the Division of Long Term Care, Resident Protection and U.S. Department of Veterans Affairs.
- Ensure admissions process is effective and targets desired results of qualified veterans or a census consistently maintained at or above 90 percent occupancy for the skilled nursing facility.
- Develop and implement ongoing staff development and educational programs.

BACKGROUND AND ACCOMPLISHMENTS

As a result of cooperative, bi-partisan efforts, Delaware broke ground on the construction of its first and only State Veterans Home on August 1, 2006. This project is the culmination of several years of hard work on the part of the Governor's Office, legislature, Commission of Veterans Affairs, veteran service organizations and Delaware's 80,000+ veterans. When completed in the Spring of 2007, the home will provide 150 beds of skilled nursing and domiciliary care for eligible veterans. This long-term care facility is dedicated to serving the honorable men and women of the Delaware Veterans community.

FUNDING

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 Gov. REC.
GF	--	4,092.3	14,228.0
ASF	--	--	--
TOTAL	--	4,092.3	14,228.0

STATE
20-00-00

POSITIONS

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 GOV. REC.
GF	--	150.0	262.5
ASF	--	--	--
NSF	--	--	--
TOTAL	--	150.0	262.5

VETERANS HOME
20-09-01

ACTIVITIES

- Develop customer satisfaction surveys, with approval of the Commission of Veterans Affairs, to define resident satisfaction and develop improvement efforts where necessary.
- Establish a Residents' Council that meets with staff to discuss resident concerns.
- Create an environment that emphasizes comfort and quality care for veterans and family members.
- Consistently review Federal F-Tag and Department of Veterans Affairs standards to ensure the DVH is compliant with standards.
- Communicate to all staff members any changes to state, federal and Veterans Affairs regulations and policies.
- Aggressively pursue findings from all surveys to ensure the chance of repeated citations is eliminated.
- Develop and execute an aggressive marketing campaign to inform veterans of the Home's mission.
- Create an Admissions Review Team that addresses admission applications in a timely fashion.
- Establish and maintain relationships with all potential referral sources, including discharge plans for community hospitals, the VA Medical Center/Elsmere, local hospices, rehabilitation therapy providers, and competing long-term care facilities.
- Create and maintain a staffing plan to ensure required staffing levels are in place before residents gain admission.
- Attend area career fairs, healthcare symposia and other potential sources of nurse candidates.
- Develop high-quality provider reputation to attract the best qualified clinicians available.
- Recruit top echelon educators for in-service training, and market these training opportunities to other facilities.

- Build database to track credentials of registered nurses, CNAs and all other credentialed staff to ensure no licensure lapses occur.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
% of surveyed residents and family members who are satisfied with care	*	85	87
% of performance during surveys by Long Term Care, Resident Protection	*	26	25.5
% occupancy rate	*	16	75
# of in-service training opportunities offered	*	1	6

**Scheduled to open Spring 2007.*

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STATE BANKING COMMISSION 20-15-00

MISSION

To serve the public interest in a safe and sound financial services industry by regulating and examining state banks, trust companies and licensed financial institutions, resolving consumer complaints, providing consumer education programs to Delaware residents; and collecting and administering the bank franchise tax.

KEY OBJECTIVES

- Ensure the safe and sound operation of state banks and trust companies, the compliance of licensed financial institutions with state and federal laws and regulations, and the escheat of abandoned property to the State by all banking organizations through regular examinations of those institutions.
- Expand the availability of financial services to consumers in Delaware by chartering new banks and trust companies, and by issuing new licenses and renewing existing licenses for non-depository financial institutions.
- Create an environment of service to consumers by responding to informational inquiries and resolving complaints against regulated financial institutions.
- Promote consumer education about financial services by developing financial education programs, conducting public meetings and events, and partnering with other state and community organizations.
- Collect bank franchise tax revenues, administer bank franchise tax laws in a fair and efficient manner, and provide periodic estimates of tax revenues to DEFAC for state budgetary purposes.

BACKGROUND AND ACCOMPLISHMENTS

The banking industry has grown to be one of the most important in the State since the passage of the Financial Center Development Act in 1981. In addition to the State's traditionally strong banks and trust companies, some of the largest credit card banks in the country are located in Delaware. Commercial bank employment in Delaware has grown from less than 5,000 in 1981 to about 30,000 in 2006.

The responsibilities of the Office of the State Bank Commissioner have grown significantly since 1981.

Today the office supervises 20 banks with assets of over \$50 billion, as well as 23 non-deposit trust companies, two building and loan associations, and over 1,000 licensed financial institutions. Most of the licensees provide financial services to consumers in the State and include: mortgage brokers; licensed lenders, such as mortgage lenders and consumer finance companies; check sellers and money transmitters; check cashers; motor vehicle sales finance companies; and providers of pre-need funeral contracts. Money transporters and business and industrial development corporations are also licensed by the State Bank Commissioner. The bank franchise tax administration is demanding due to the substantial collection levels and the increase in the requisite oversight. The public need for information and consumer protection also has increased.

Accomplishments

- Chartered one new bank and one new limited purpose trust company.
- Collected \$132.8 million in bank franchise tax revenues and provided periodic estimates to DEFAC to support the state budgetary process.
- Provided consumer education through outreach programs, building on partnerships with various state agencies, housing counselors and community organizations, and increasing awareness through public appearances, community meetings, TV and radio presentations, and the distribution of informational brochures on issues including identity theft, mortgage lending and foreclosures, scams and high-cost financial services.
- Conducted 222 examinations of state-chartered banks, trust companies, building and loan associations, state-licensed financial services businesses, and the escheat of abandoned property by banking organizations.
- Issued licenses to 1,015 financial services institutions.
- Resolved 909 written consumer complaints.

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FUNDING

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 GOV. REC.
GF	--	--	--
ASF	3,081.0	3,398.1	3,428.2
TOTAL	3,081.0	3,398.1	3,428.2

POSITIONS

	FY 2006 ACTUAL	FY 2007 BUDGET	FY 2008 GOV. REC.
GF	--	--	--
ASF	38.0	40.0	40.0
NSF	--	--	--
TOTAL	38.0	40.0	40.0

**STATE BANKING COMMISSION
20-15-01**

ACTIVITIES

- Issue new licenses and renew existing licenses for non-depository financial services institutions.
- Respond to informational inquiries and resolve consumer complaints against banks, trust companies and licensees.
- Collect and administer the bank franchise tax and provide periodic estimates of tax revenues to DEFAC for budgetary purposes.
- Achieve enactment of significant banking and financial services legislation and improve regulations.

PERFORMANCE MEASURES

	FY 2006 Actual	FY 2007 Budget	FY 2008 Gov. Rec.
# of bank, trust company, licensee, and escheat examinations	222	250	300
# of licensed non-depository institutions	1,015	1,100	1,200
# of written consumer complaints resolved per year	909	1,000	1,000
# of consumer education meetings/events	155	150	150
\$ bank franchise tax (millions)	132.8	155.3	138.9