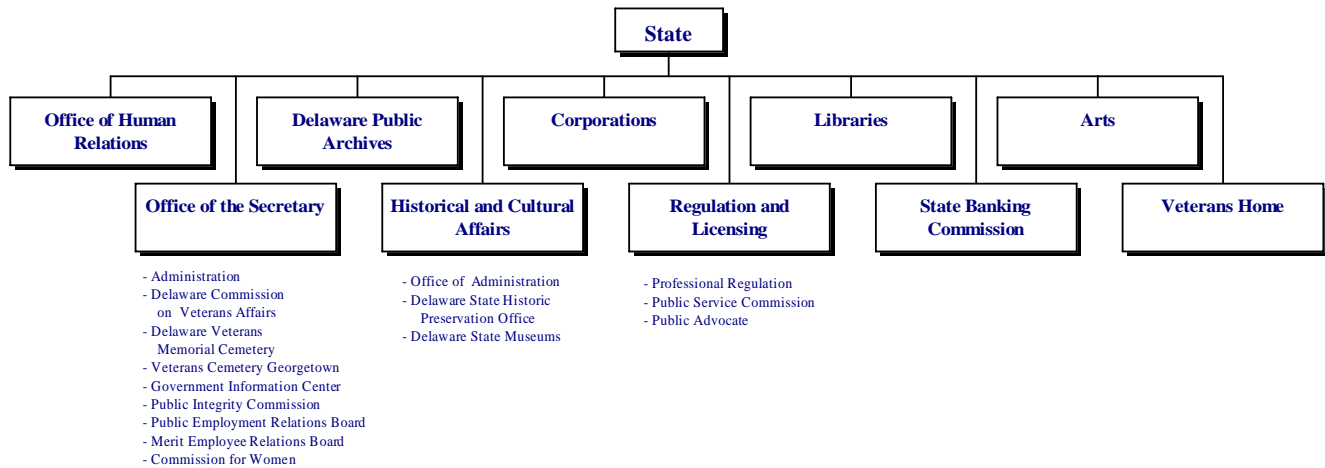


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MISSION

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.

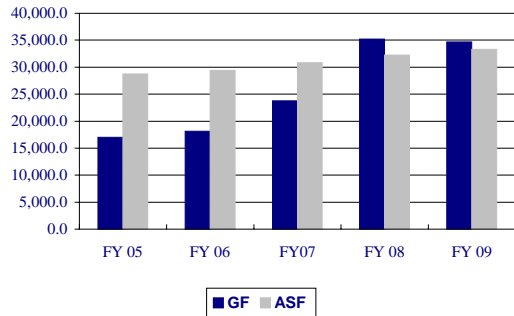
KEY OBJECTIVES

- 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 online 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.

- Increase the number of eligible veterans and their dependents receiving services.
- Provide outstanding long-term care services at the Delaware Veterans Home that improve the quality of life of our residents.
- Promote amicable and supportive relationships among the citizens of Delaware by increasing public awareness of discriminatory practices and human rights.
- Promote the economic, social, educational, personal, and professional growth of Delaware women.
- 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 and historic sites.

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Five-Year Appropriation History



FUNDING

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	31,889.0	34,665.7	34,609.0
ASF	28,049.0	33,291.4	33,254.4
TOTAL	59,938.0	67,957.1	67,863.4

POSITIONS

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	409.6	405.1	404.1
ASF	239.5	250.0	252.0
NSF	19.9	18.9	18.9
TOTAL	669.0	674.0	675.0

FY 2010 BUDGET HIGHLIGHTS

OPERATING BUDGET:

- ◆ Recommend \$1,650.0 for the Delaware Veterans Home for staffing and contractual nursing services to meet patient needs.
- ◆ Recommend \$37.2 ASF and 2.0 ASF FTEs in the Bank Commissioner's Office to implement House Bill 508, which requires all mortgage loan originators to be licensed.
- ◆ Recommend (\$952.1) in Strategic Reduction/Investment Target to identify additional expenditure reductions and/or revenue enhancements necessary due to deteriorating economic conditions.
- ◆ Recommend (\$20.0) in the Delaware Heritage Office for one less book printed annually.
- ◆ Recommend (\$10.0) in Delaware State Museums to limit exhibits and lengthen showcase periods.
- ◆ Recommend (\$216.4) in Delaware Art to reflect a 15 percent reduction in pass through funding.

- ◆ Recommend (\$200.0) in Library Standards to eliminate one-time planning projects and reduce supplemental grants to libraries, and (\$100.0) in Delaware Electronic Library to reduce on-line library resources.
- ◆ Recommend the following reductions in operating expenditures: (\$9.0) in Delaware Commission on Veterans Affairs, (\$40.0) in Delaware Veterans Memorial Cemetery, (\$30.0) in Veterans Cemetery Georgetown, (\$6.0) in Public Integrity Commission, (\$14.0) in Merit Employee Relations Board, (\$15.0) in Commission for Women, (\$30.0) in Office of Human Relations, (\$103.1) in Delaware Public Archives, (\$2.0) in Delaware State Historic Preservation Office, (\$50.0) in Delaware State Museums, and (\$25.0) in Libraries.

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 Improvement 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 \$360.0 for the design of o the columbarium expansion at the New Castle County Veterans Cemetery.
- ◆ Recommend \$305.0 for the Minor Capital Improvement and Equipment program for the Veterans Home.
- ◆ Recommend \$960.0 for ongoing construction of a new library in Georgetown and \$500.0 for ongoing construction of a new library in Bridgeville.

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OFFICE OF THE SECRETARY
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	FUNDING		
	FY 2008	FY 2009	FY 2010
	ACTUAL	BUDGET	GOV. REC.
GF	3,727.4	3,945.3	2,740.3
ASF	3,047.5	2,643.8	2,643.8
TOTAL	6,774.9	6,589.1	5,384.1

	POSITIONS		
	FY 2008	FY 2009	FY 2010
	ACTUAL	BUDGET	GOV. REC.
GF	47.0	45.5	43.5
ASF	12.0	13.5	13.5
NSF	--	--	--
TOTAL	59.0	59.0	57.0

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, Delaware Economic and Financial Advisory Council (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, Commission for Women, and various boards and commissions, the Secretary of State leads a diverse organization with responsibilities in many distinct areas. Through the missions 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 DEFAC, Open Space Council and Biggs Museum Board.

Through the Division of Corporations and the State Bank Commissioner, the Department contributed \$860 million of net General Fund revenue in Fiscal Year 2008. 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

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citizen access to governmental, educational and recreational information. The Delaware Public Archives safeguards public records and made more than 17,500 new digital archival images available to the public in Fiscal Year 2008. Our libraries foster education and recreational enjoyment and last year served more than four million visitors and circulated more than seven 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 343,286 unique visitors a month to the State's web portal in Fiscal Year 2008.

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 120,000 visitors in Fiscal Year 2008 at 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. The Commission for Women promotes the economic, social, educational, personal, and professional growth of Delaware women. Each year, these divisions participate 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 issues licenses to more than 62,000 professionals in Delaware. In Fiscal Year 2008, 82 percent of all license renewals used the Division's new on-line license renewal service. The Public Service Commission (PSC) currently has regulatory authority over 120 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 more than 2,000 utility customer complaints in Fiscal Year 2008.

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 2008, these agencies continued to expand and enhance their websites 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 veterans memorial cemeteries. In recent years, the Commission has played a vital role in securing legislation and developing rules and regulations to administer the Veterans Home.

The Veterans Home provides long-term care services such as skilled nursing care to Delaware veterans at its facility in Milford. The Delaware Veterans Home was completed on time and on budget and began admitting residents in June 2007. The Home passed its state certification in June 2007 and its federal certification in October 2007. The Veterans Home will gradually ramp up to its full capacity over an 18 month period consistent with federal admission guidelines.

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 veterans and their dependents regarding available programs and benefits.

KEY OBJECTIVES

- Increase claims processed with the U.S. Department of Veterans Affairs on behalf of Delaware veterans and their dependents.

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- Increase outreach services to veterans and their dependents.
- Increase the number of eligible veterans and their dependents referred to services provided by federal, state and local agencies.

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 80,592 Delaware veterans and their dependents.

The Commission continues to increase services to approximately 39,172 veterans residing in Kent and Sussex counties who do not have equitable access to resources that are accessible to veterans residing in New Castle County. State funded counseling services provided by People's Place in Milford improve our ability to provide access. Our mobile van, Veterans Service Center, continues making scheduled community visits further enhancing the delivery of services.

The Commission, partnering with the Department of Veterans Affairs, Vet Center, provides individual and group counseling services to veterans and family members. In addition, support groups are offered for war veterans, significant others and women veterans.

The Commission and the Department of Veterans Affairs provide vocational rehabilitation counseling and services to veterans residing in Kent and Sussex counties.

The Commission continues to strengthen veterans' involvement in small business development through promotion of the Small Business Administration (SBA) and Department of Veterans Affairs 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 home page was accessed 429,749 times during Fiscal Year 2008.

Accomplishments

- Maintained a website that allows citizen access to services offered by the Commission and U.S. Department of Veterans Affairs.
- Published *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.

- Improved veterans' ability to obtain copies of their Statement of Military Service (DD-214).
- Distributed a State Veterans Benefit Booklet to all veterans who claim Delaware as their home of record upon discharge from military service.

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 digital imaging repository for all veterans' DD-214 or similar verification of active military service documentation.
- Continue annual ceremonies associated with the Delaware Memorial Bridge and Delaware veterans memorial cemeteries honoring veterans on Memorial Day, Flag Day and Veterans Day.
- Continue outreach efforts conducted through the publication of a quarterly newsletter.
- Maintain information 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 promoting issues beneficial to veterans and their dependents.
- The second annual Women Veterans Symposium and Expo was held in April 2008 at the Delaware Technical and Community College, Terry Campus.

PERFORMANCE MEASURES

	FY 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
# of claims processed	1,476	1,513	1,551
# of outreach services to veterans and their dependents	53,222	54,553	55,917
# of federal/state referrals	4,596	4,711	4,829
\$ of claims awarded (millions)	8	8	8

DELAWARE VETERANS MEMORIAL CEMETERY
20-01-03

MISSION

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

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KEY OBJECTIVES

- Increase the number of interments.
- Increase the number of grave sites.
- Increase the number 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 Department of Veterans Affairs. This project has increased the number of interment vaults by 6,000 and the number of columbarium niches by 700 to accommodate veterans for approximately the next 10 years. Additional renovations and improvements at the cemetery have been completed.

Volunteerism plays an important part in the operation of the cemetery. Numerous hours of assistance have been given by 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 29,000 applications for burial at the DVMC over the past 17 years.
- Effectively handled over 10,000 interments at the DVMC over the past 17 years.
- Maintained an internet site that permits veterans to access or submit a burial application, check the status of their application and locate interment sites of those interred at the DVMC.
- Implemented a Funeral Directors Interment Scheduling (FDIS) program which allows funeral directors to electronically schedule interments on a 24/7 basis.

ACTIVITIES

- Maintain the DVMC site in New Castle County (52 acres) which serves as a memorial to those who have honorably served their state and country.

- Maintain electronic access (kiosk) for all Delaware veterans and family members to retrieve gravesite information.
- Manage federal and state funds for various capital improvement projects at the cemetery ensuring quality workmanship on all projects.

PERFORMANCE MEASURES

	FY 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
# of interments	768	787	807
# of gravesites maintained	10,806	11,593	12,400
# of cumulative approved interment applications	19,552	20,041	20,542

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

BACKGROUND AND ACCOMPLISHMENTS

The Sussex County DVMC 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 given by 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.

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Accomplishments

- Processed and approved over 7,000 applications for burial at the DVMC over the past nine years.
- Effectively handled over 1,600 interments at the DVMC over the past nine years.
- Maintained an internet site that permits veterans to access or submit a burial application, check the status of their application, and locate interment sites of those interred at the DVMC.
- Implemented an FDIS program which allows funeral directors to electronically schedule interments on a 24/7 basis.
- Sought Department of Veterans Affairs, National Cemetery Administration's approval to begin planning of the 10-year expansion project.

ACTIVITIES

- Maintain the DVMC site in Sussex County (65 acres) which serves as a memorial to those who have honorably served their state and country.
- Maintain electronic access (kiosk) for all Delaware veterans and family members to retrieve gravesite information.
- Manage federal and state funds for various capital improvement projects at the cemetery ensuring quality workmanship on all projects.

PERFORMANCE MEASURES

	FY 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
# of interments	236	242	248
# of gravesites maintained	1,683	1,925	2,173
# of cumulative approved interment applications	6,075	6,227	6,382
# of ground vaults and columbarium niches	2,024	2,024	3,541

GOVERNMENT INFORMATION CENTER
20-01-06

MISSION

To promote easy and organized citizen access to government services and information online.

KEY OBJECTIVES

- Promote adoption of the common look and feel website standard.

- Increase the number of monthly visitors to Delaware's portal.
- Establish e-partnerships with all local and county governments.
- Promote an increase in the usage of specific online 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 of State 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.

Over the past six years the GIC has demonstrated significant and measurable success resulting in the creation of a new budget unit within the Department of State. This milestone marks the beginning of a renewed commitment to promote current online resources and to advocate for new online initiatives that enhance citizen access to government services and information online.

Accomplishments

- Delaware was ranked first, for the second year in a row, in the annual e-government survey by the Brookings Institute in 2008, improving from a ranking of 49th in 2000.
- Delaware.gov was named among the top ten state portals in the nation by the Center for Digital Government in 2008.
- Enabled online maps and driving directions to all Election Polling Places for the 2008 Primary Election.
- Launched the Official Mobile Website for Delaware.gov.
- Partnered with Department of Natural Resources and Environmental Control, Parks and Recreation to enhance their marketing efforts for revenue generating sites by increasing their multimedia content online.
- Promulgated website common look and feel standards to nearly 100 percent of the State's webpages.
- Launched more than 30 new online services including the public meeting calendar, Virtual Tax

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Service Center, Polling Place Locator, Online Delaware Code, Division of Motor Vehicles website, Division of Professional Regulations website, and the Delaware Digital Archives.

- Enhanced over 500 online PDF documents to include accessibility features and enable citizens and businesses to fill in and save forms on their local computers.
- 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 online public commenting to proposed regulation changes.

ACTIVITIES

- Promote adherence to state standards at First State Webmaster Association meetings.
- Offer web related training to State agencies at no cost.
- Partner with the Department of Technology and Information (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 future 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 Developer meetings.
- Encourage the use of existing online resources and standards by local and county governments.
- Provide promotional materials to information intermediaries such as libraries and schools.
- Provide informational speeches at civic organizations and conferences throughout Delaware.

PERFORMANCE MEASURES

	FY 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
% of common look and feel adoption	99	100	100
# of portal visitors (average unique visitors per month)	343,026	377,329	415,061
% of e-partnerships established	42	100	100
# of online transactions for fishing licenses	4,598	5,058	5,564
# of online transactions for personal campsite reservations	7,190	8,106	8,917
# of online transactions for personal income tax returns	271,748	298,923	328,815
# of subscribers on Delaware Information Subscription Service	15,574	16,353	17,170

PUBLIC INTEGRITY COMMISSION

20-01-08

MISSION

To instill the public's confidence in the integrity of its government by administering and enforcing laws on: (1) ethics for the State Executive branch and local governments; (2) financial disclosure for Executive, Legislative and Judicial branches; (3) dual compensation for State and local employees and officials holding two government jobs; and (4) registration and expenditures by lobbyists.

KEY OBJECTIVES

- Annually increase the number of training attendees.
- Improve response time for issuing written decisions.
- Increase the number of disclosures filed online.

BACKGROUND AND ACCOMPLISHMENTS

The Public Integrity Commission (PIC) interprets the ethics law for more than 58,000 State employees, officials and all appointees to boards and commissions. It also has ethics jurisdiction over 51 local governments. The financial disclosure law applies to more than 370 officials and the lobbying law applies to 300 lobbyists representing more than 700 employers and organizations.

In Fiscal Year 2008, it interpreted 81 requests for advisory opinions and complaints against public

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officials. That was an increase of 9 over last year's 72 decisions.

For the first time since the Commission was formed in 1991, litigation was taken to Court. A recipient of an advisory opinion, and then a reconsidered opinion, filed an appeal with the Superior Court. The Commission prevailed, with the Court ruling against all of his arguments.

In Fiscal Year 2008, 298 lobbyists registered to represent 707 organizations. This was an increase of 31 lobbyists, and an increase of 88 organizations represented. Lobbyists filed 2,828 organizational quarterly expense reports.

Of 298 lobbyists, only four do not file on-line, or receive electronic notice on reporting reminders or other relevant correspondence. The remainder are notified by letter of the filing requirement. Any lobbyist who does not file a report after three notices, one of which is certified mail, has their registration cancelled. Beginning in Fiscal Year 2008, the list of those who failed to file and had their registration cancelled are now on the Commission's website.

This past fiscal year was the third time public officers had the choice of filing their financial disclosure report online or by hard copy. Out of 376 public officers, 268 filed on-line. This is 71 percent of the number of public officers.

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 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
# of advisory opinions, waivers and complaints	81	70	70
# of people receiving training	337	400	400
% of opinions issued within 45 days	92	94	95
% of disclosures filed online	71	85	92

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. PERB also 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.

BACKGROUND AND ACCOMPLISHMENTS

PERB administers the Public School Employment Relations Act, the Police Officers and Firefighters Employment Relations Act and the 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 is often involved with labor/management issues that arise as a consequence of governmental decisions, such as the operational impact of structural reorganization; staff shortages and/or hiring freezes; projected fiscal shortfalls/surpluses in municipalities, counties and public school districts; and the impact of educational reforms on the working conditions of public school employees.

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

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rate of 90 percent of binding interest arbitration cases filed between Fiscal Year 2000 and Fiscal Year 2008. In 2008, binding interest arbitration was made available to Delaware's public schools and their employees as the final step in impasse resolution.

The passage of the Wage Bargaining bill for State merit employees in July 2007 made significant changes in both the scope and structure of collective bargaining between the State and its merit employees. PERB developed and administered effective processes for transforming the existing State bargaining structure into the structure mandated by the statutory changes.

PERB has efficiently and effectively responded to changing demands for dispute resolution services and the increasing complexity of issues as demand for services has increased. PERB continues to be a reliable, creative and credible source for resolution of public sector collective bargaining disputes.

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.
- Develop and implement representation procedures for restructuring and creating bargaining units for purposes of compensation 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 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 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
% of disputes informally resolved through PERB facilitation	40	45	50
% of cases resolved within 90 days of filing	35	50	55
% of mediation cases proceeding to Binding Interest Arbitration/Fact Finding (BIA/FF)	40	50	50
% of BIA/FF in which facilitated settlement reached prior to decision	66	66	75
# of new cases filed	50	60	60
# cases processed	67	85	90
# of cases electronically filed and/or processed	45	60	70
# decisions issued	18	30	35

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.

The Board continues its campaign to eliminate or otherwise reduce the backlog of grievances currently

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before it. There are currently 38 active grievance appeals pending.

Accomplishments

- Twenty-nine cases were received in Fiscal Year 2008, of those five were adjudicated or resolved through settlement, withdrawal or dismissal. The remaining 24 cases have been scheduled for hearings through the remainder of Calendar Year 2008 and into 2009. During Fiscal Year 2008 the MERB adjudicated, settled or withdrew some 20 cases that were submitted in Fiscal Year 2007. The 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 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
% of cases scheduled within 150 days of receipt	100	100	100
% of cases not requiring rescheduling	72	85	85

COMMISSION FOR WOMEN
20-01-11

MISSION

To provide leadership, advocacy and resources on issues impacting women by supporting and promoting laws, policies, practices, and programs that enable and support equity, social and economic justice for all Delaware citizens, and most specifically women.

KEY OBJECTIVES

- To maintain a pulse on the issues of concern to women in Delaware.
- To lead, support and promote activities, programs, policies, and laws that address the particular needs and concerns of women.

- To facilitate and provide access to information resources and services that improve the quality of life for women and their families.
- To promote just laws, policies and practices, and to eliminate discriminatory laws, policies and practices in ways that improve the quality of life for Delawareans especially women.

BACKGROUND AND ACCOMPLISHMENTS

The Delaware Commission for Women (DCW) has served as an advocate for the issues and concerns of Delaware women for more than 40 years. The Commission continues to work diligently and persistently toward its vision as Delaware's primary resource and central point of contact on issues impacting women. The agency creates and seeks opportunities to meet women where they live and work with information and resources on a variety of topics that help them make informed decisions in their daily lives. Through community-based festivals, webinars, electronic messages, roundtable discussions, and conferences the Commission has connected with more than 10,000 Delawareans. Partnerships are critical as they expand the scope and capability of our work. Recent partners include: the Office of Women's Health, Beautiful Gate Outreach Center, Division of Historical and Cultural Affairs, Department of Correction, Delaware Money School, Metropolitan Wilmington Urban League, League of Women Voters, National Women's Law Center, WHYY, Martin/Moyer Project, Girl Scouts of Chesapeake Bay Council, and the National Association of Commissions for Women - each committed to improving the lives of a shared constituency.

The Commission sponsored four major women's health initiatives (obesity, HIV/AIDS, heart disease, osteoporosis); offered citizens access to affordable legal information (divorce seminars); convened several public policy forums with legislators, advocates and citizens; supported and promoted entrepreneurship week activities; provided leadership in a collaboration with non-profit organizations to increase voter registration (including among eligible women currently incarcerated); honored the contributions and achievement of Delaware women; and participated on the State's task force established to reduce the number of children living in poverty.

ACTIVITIES

- Conduct, support and promote conferences, discussion groups, workshops, and other forums that

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educate and inform on issues of particular concern to women.

- Review, monitor and advise on legislation, policies, programs, and practices relative to the disparate impact on women.
- Serve as a central source of information, referral and advocacy for women, and agencies/organizations serving women, on issues that impact the quality of life of Delaware women.
- Advise and consult with local, regional and national organizations in the development of programs, workshops, conferences, and services for women.

PERFORMANCE MEASURES

	FY 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
# of agencies/organizations utilizing DCW resources	590	595	550
# of meetings/forums/conferences for women	70	56	50
# of Hall of Fame nominations	42	43	43
# of intra/inter/other-agency referrals	800	1,000	900
# of educational opportunities provided for Delaware women	21	20	20
# of resources/publications shared with women	15,500	15,300	14,000

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 disability 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 with 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 with seven members from each county, and seven members 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 and familial status, color, sex, creed, religion, national origin, or disabilities; and to

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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 205 outreach and education events.
- Investigated, negotiated and settled 100 percent of all Equal Accommodation complaints within the 120 day 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.
- Recognition from HUD as a best practice agency.
- Nominated by HUD for the Blue Ribbon Award at the National Fair Housing Policy conference for 100 percent case closures within 100 days.

FUNDING

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	565.8	552.9	522.9
ASF	3.8	10.0	10.0
TOTAL	569.6	562.9	532.9

POSITIONS

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	9.0	8.0	8.0
ASF	--	--	--
NSF	1.0	1.0	1.0
TOTAL	10.0	9.0	9.0

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, strengthen human relations and improve 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.
- Annually publish four quarterly newsletters and an annual report.
- Promote and encourage conciliation of Housing and Equal Accommodation complaints.
- Conduct citizen surveys.
- Make investigations, surveys and studies, and prepare reports and recommendations as they relate to neighborhood tension, prisons, school related issues, hate crimes, and police conflict.
- Make recommendations to the Governor and General Assembly concerning necessary legislation.
- Assist in the development of a diverse workforce that reflects Delaware through the Governors Council for Equal Employment Opportunity.

PERFORMANCE MEASURES

	FY 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
# of educational seminars, training and workshops	304	360	370
# of days to close Fair Housing cases	83	93	93
# of days to close Public Accommodations cases	113	107	107

DELAWARE PUBLIC ARCHIVES
20-03-00

MISSION

To manage 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 carrying out public policy. To preserve and promote a greater awareness of the rich history and heritage of the First State and its people.

KEY OBJECTIVES

- Increase online digital images.
- Increase interactions with government and public clients.
- Increase use of Archives website.
- Promote the history and heritage of Delaware through increasing use of Archives' documentary resources, publications, grant programs, and outreach with the education community, historical societies, other groups and organizations, and the general public.

BACKGROUND AND ACCOMPLISHMENTS

Senate Bill 268 of the 144th General Assembly transferred the Delaware Heritage Commission to the Delaware Public Archives, creating the Delaware Heritage Office within the Delaware Public Archives.

The past decade has been one of change, growth and progress for the Delaware Public Archives (DPA). During this period DPA planned and implemented a transition from the overcrowded and deteriorating conditions of the past to modern 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, we have expanded the use of these precious resources through an aggressive agenda of public programs.

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.
- Enforcing the proper management, maintenance and disposition of all state and local government records.

The facilities of DPA include state of the art records storage spaces, a large and well-equipped area for research, exhibition space, a training and education room, and administrative offices. In Fiscal Year 2008, more than 12,300 people visited DPA to conduct research, view exhibits and attend workshops and special events.

The DPA website continues to rank among the top sites for usage in state government. In Fiscal Year 2008, the site logged 252,603 unique visitors.

Accomplishments

- **Public Programs:** During Fiscal Year 2008, an active agenda of outreach and educational programs was conducted. Activities included 16 on-site presentations and 23 off-site programs that attracted over 2,500 Delaware citizens. A new exhibit was opened in May of 2008 focusing on Delaware's role in the American Revolutionary War. Tours of the exhibit gallery are offered to the public and remain a vital component in educating the citizens about Archives and its mission.
- **Historical Markers/Monuments:** In Fiscal Year 2008, 24 new markers were unveiled. Access to information concerning historical markers was greatly enhanced with the completion of a statewide mapping effort. Website users can now obtain detailed information about marker locations and view nearby places of interest. Noteworthy activities also included DPA's erection of a monument on the grounds of Legislative Hall commemorating the Revolutionary War services of Captain Thomas Rodney and the Dover Light Infantry.
- **Digital Archives:** By the end of Fiscal Year 2008, DPA had placed a total of 17,563 scanned images on the web as part of the Digital Archives initiative. These images are used in online exhibits which appear on DPA's website. During the year, 23,737 additional images were created for government agencies and patrons. Negotiations with online content providers were completed and a memorandum of understanding was signed with Ancestry.com to digitize four major records series

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including vital statistics (births, deaths, marriages), land records (deeds, surveys), and probates/will books, and naturalizations. As a result, these resources will be made available for use online and DPA will receive/possess an estimated 2.4 million images. This agreement will result in a considerable cost savings versus commercial vendor production.

- Government Services/Disaster Preparedness:**
 Responded to more than 9,000 contacts with state and local government agencies concerning various aspects of records management, and increased the number of consulting hours by 19 percent over Fiscal Year 2007. A Safety and Emergency Preparedness team continued efforts to promote a greater awareness of the need for disaster preparedness planning. A successful application by DPA for a grant from the National Endowment for the Humanities resulted in the formal establishment of the Delaware Disaster Assistance team, a statewide disaster preparedness and response network that includes a wide variety of record-keeping and cultural institutions. DPA also partnered with the Delaware Division of Libraries, Division of Historical and Cultural Affairs and Delaware Museum Association in a successful application to the Institute of Museum and Library Services for funding to support the Delaware Collections Stewardship project, a collaborative effort to assess the conservation/preservation needs of libraries, museums, and record-keeping institutions throughout the State.

FUNDING

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	2,795.1	2,483.1	2,528.4
ASF	347.3	341.8	341.8
TOTAL	3,142.4	2,824.9	2,870.2

POSITIONS

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	30.0	30.0	31.0
ASF	6.0	5.0	5.0
NSF	--	--	--
TOTAL	36.0	35.0	36.0

DELAWARE PUBLIC ARCHIVES
20-03-01

ACTIVITIES

- Identify, collect, preserve, and enhance accessibility to public records of enduring historical and evidential value.
- Promote the availability and use of public records as a unique and invaluable source of information.
- Promote a greater knowledge of Delaware history as documented by the resources of DPA.
- Advise and educate state and local government officials and employees about the creation, management, use, preservation, and disaster preparedness of public records.
- Determine final disposition of all government records regardless of physical format.
- Provide staffing and administrative support for the Council on Archives.
- Promote Delaware authors and Delaware publications dealing with Delaware history.
- Administer Challenge Grants and McKinstry Awards.

PERFORMANCE MEASURES

	FY 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
# of on-line digital images (cumulative)	17,563	166,000*	200,000*
# of digital images created	23,737	25,517	27,430
# of government client interactions	9,036	9,714	10,442
# of public client interactions	14,367	15,444	16,602
# of unique visitors	252,603	271,548	291,914
# of visitor sessions	364,992	392,366	421,793
Client survey score (1-5)	4.87	4.90	4.92

**Projected increase due to new agreement with Ancestry.com.*

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REGULATION AND LICENSING
20-04-00

	FUNDING		
	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	--	--	--
ASF	7,794.3	9,219.1	9,231.1
TOTAL	7,794.3	9,219.1	9,231.1

	POSITIONS		
	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	1.0	--	--
ASF	74.0	78.0	78.0
NSF	--	--	--
TOTAL	75.0	78.0	78.0

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 customer satisfaction index and maintain acceptable service levels during employee absences through a more equitable distribution of administrative duties and a team approach.
- Increase customer usage of online services offered through the Division's website.
- Eliminate excessive licensure files and document handling through deployment of a document imaging system.
- 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 45 professions, trades and events. The Division currently provides services for over 300 board/commission members and over 62,000

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

Accomplishments

- The Division implemented a plan to restructure the administrative unit which includes a customer service team to handle email and phone inquiries.
- Issued 12,750 licenses to new applicants and renewed 21,472 licenses, with a total licensee population of over 62,000. Those licensees regulated are comprised of a diverse group of professions, trades and events in areas including healthcare, occupational and business.
- Screened 587 complaints, accepted 442 for investigation and completed 417 investigations.
- Coordinated and provided administrative support for more than 300 public meetings/hearings.

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, and travel arrangements for each board/commission and conduct biennial fee setting analysis that reflect each boards' operating costs.
- Provide administrative support and public notice for public meetings and hearings.
- Coordinate with the Office of the Governor for the board/commission member appointments.
- Provide orientation and annual training for board/commission members.
- Contract with professional testing services and national professional organizations to provide 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, and track and implement successful legislation.

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- Attend regional and national conferences to monitor regulatory trends and requirements.
- 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 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
License renewals:			
# completed online	17,643	22,572	23,000
% completed online	82	87	90
# of unique website visitors (per month)	17,974	19,700	20,000
Customer satisfaction index (1- 5 scale)	4.35	4.76	4.70
# of days to resolve complaints	60	49	49

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 and 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

- Maintain docket files electronically and in a format that is easily searchable and secure.
- 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 PSC's 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.
- Prepare legislation to facilitate the implementation of the recommendations of the Joint Sunset Committee and communicate with the Committee to ensure full compliance.
- Continue to implement key energy policy initiatives to better enable the provision of safe and reliable service to customers in a more environmentally advantageous manner at a reasonable cost.

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, 11 wastewater utilities, four cable television franchises, two natural gas utilities, an electric utility, 39 electric suppliers, and 71 local exchange telephone service providers. In addition, the PSC has issued Certificates of Public Convenience and Necessity for 188 providers of intrastate, competitive telecommunications services. It also reviews the financial and tariff filings of these utilities.

In Calendar Year 2007, the PSC opened 493 dockets, which resulted from formal filings made by utilities requesting or requiring Commission action. Another responsibility of the PSC is conducting 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. 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 2008, this section handled over 1,773 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 2008 includes the second stage in the PSC's efforts to manage the process of transitioning Delaware's electric industry to a competitive retail environment,

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which began with the enactment of the Electric Utility Restructuring Act of 1999. In accordance with the Act, by Commission order dated October 19, 2004, 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. The dramatic rise in the cost of fuels used to generate electricity, the fact that Delmarva Power had sold off or transferred all of its own generating facilities to unregulated affiliates as permitted by the Act, and deficient regional wholesale market rules contributed to a very steep increase in prices on May 1, 2006 for all of Delmarva Power customers. As a result of these increases, the Electric Utility Retail Customer Supply Act of 2006 was enacted to provide more flexibility in the procurement of electricity for SOS customers. The Commission remains in the continuing process of implementing several key aspects of this comprehensive legislation.

A Purchased Power Agreement between Blue Water Wind, LLC and Delmarva Power was approved after a two year process making it the first step in Delaware developing a portfolio of resources to address Delaware's reliability and electricity pricing needs. The PSC is currently continuing the portfolio development process by evaluating Delmarva's Integrated Resource Plan.

Reliability of electric service has been a prime concern of the PSC. The PSC, after completing its formal rules for reliability evaluations in-state, continues to actively participate in regional and Federal Energy Regulatory Commission (FERC) proceedings related to electric reliability and electric pricing. The PSC has determined that its participation has become vital as a means in dealing with rising electricity rates and assuring reliable service.

Fiscal Year 2008 represented the first major legislative change to the Telecommunications Technology Investment Act which was enacted in 1994. These revisions were implemented as a result of the changing competitive landscape due to challenges to Verizon Delaware, LLC from cable and internet based providers' entry into the telecommunications market, as well as continued competition from other local providers. Certain services, such as multiple business lines will no longer be regulated by the Commission because there are other competitive alternatives. Nevertheless, basic residential phone service and other essential services will still be subject to Commission oversight.

Verizon Communications, Inc. (VCI) continues to grow its cable television service offered through its fiber to the premises installations which continue to proceed in accordance with Verizon's business plan. The Commission is expecting that over time, with appropriate rules, the entry of competitors such as VCI could ultimately create a competitive cable market, which will promote greater efficiency and, consequently, better pricing for consumers. However, it should be observed that VCI's build-out of its network to provide cable services will take a number of years, making it clear that the competitive landscape will take some time to develop.

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 proceeding was 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 next major review of the adequacy of the water supply of these two utilities will begin in July 2009.

Accomplishments

- The Commission managed the request for proposal process that resulted in a Purchased Power Agreement between Bluewater Wind and Delmarva Power, the first agreement in the U.S. for an offshore wind farm.
- Concluded a year-long process to evaluate various revenue decoupling proposals that would eliminate barriers to utility participation in energy efficiency and conservation programs.
- Rules and regulations regarding the Renewable Portfolio Standards set forth by the Legislature were updated. Staff continues to register eligible suppliers and monitor the registration of Renewable Energy Credits.
- Settled base rate case filed by Chesapeake Utilities for an annual increase in revenues of \$325,000, which is \$1,570,668 less than requested.
- Continued to recommend changes to the annual Secretary of State procurement process in order to identify areas for improvement, so that Delmarva Power customers receive improved pricing from the regional wholesale market for supply.
- Processed water and wastewater requests for Certificates of Public Convenience and Necessity (CPCN).

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- Processed over 198 tariff revisions, CPCNs, financing applications, and other filings.
- Required wastewater utilities to compile accounting records according to the National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts for Wastewater Utilities for the 2006 accounting year. Staff conducted an ongoing assistance program for the utilities to achieve the goal.
- Upgraded program to deal with utility customer complaints; the Commission handles over 1,700 complaints a year.
- Participated in the five year update of the State's Energy Plan as required by 29 Del. C. § 8055 (c)(3).

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 laws.
- Conduct conveniently located and time sensitive public hearings, as required, 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 the 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 the dependency on paper.
- Monitor state and national issues that affect the PSC and communicate these issues to staff and 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 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
Customer satisfaction level with complaint/inquiry investigation and resolution process (scale of 1-5)	4.2	>4.0	>4.0
% of draft legislation completed per Sunset Committee recommendations	75	100	N/A
Dockets filed:			
# maintained electronically	493	560	500
% maintained electronically	100	100	100
Major utilities:			
# of rate of return reports reviewed semi-annually	6	8	8
% of rate of return reports reviewed semi-annually	75	100	100

**PUBLIC ADVOCATE
20-04-03**

MISSION

The Division of the Public Advocate (DPA) represents the interests of all Delaware utility consumers before the Public Service Commission of Delaware, 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 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 at least two outreach meetings in each county annually, and participating in no less than 80 percent of rate case public comment sessions.
- Maintain current standards of system average interruption frequency index (SAIFI) and customer average interruption frequency index (CAIFI) of electric reliability, established under the traditional regulated environment.
- Ensure that Delaware electric consumers receive the benefits of region wide transmission investments and that the capacity market more accurately reflects the cost of reliability.

- Implement new customer demand response programs in order to reduce the growth in peak, as well as overall load and, thus, put downward pressure on electric rates. In addition, DPA will advocate, before the PSC, for a Modified Fixed Variable Rate Design ensuring that implementation of any revenue decoupling mechanism (Reg. 59) is fair and reasonable for Delaware's rate-payers, and the diffusion of technology into the network via an advanced metering infrastructure.

BACKGROUND AND ACCOMPLISHMENTS

DPA remains active in all phases of policy making and regulatory proceedings, implementing the Delaware Electric Retail Customer Supply Act of 2006, which is ongoing over the next five years. DPA is the only non-industry sector voting member in the PJM stakeholder process representing Delaware electric customers.

Electric restructuring has changed DPA's role in electric industry ratemaking by requiring more interaction with Federal Energy Regulatory Commission (FERC) and PJM. At least 60 percent of Delaware consumers' overall electric charges will be determined outside the Delaware regulatory process before entities such as these. Effective representation is critical for rate-payer advocacy.

DPA will continue 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 (IRP) approved by the PSC. As the IRP progresses, DPA will continue to aggressively represent Delaware consumers in these proceedings.

Pursuant to the requirements of the Green Energy Fund legislation, DPA will continue to solicit funding for projects that promote renewable energy initiatives in Delaware.

The lack of low cost electric generation available to Delawareans, the lack of investment in transmission and generation facilities, and price increases of natural gas have led to higher generation prices. To address this, DPA will remain active with PJM to ensure that Delaware energy markets maintain reliable and reasonable prices.

DPA will remain active in investigating and, where appropriate, litigating customer service issues relating to water and wastewater utilities.

In telecommunications, a major revision to the 1993 Telecommunications Technology Investment Act (TTIA) was enacted. Verizon has now re-elected to be regulated pursuant to the new law until 2012. DPA will remain focused on the basic services, protecting customers from market power abuses and will continue to submit annual price cap filings. The DPA has also recently initiated a service quality inquiry into Verizon's basic service standards as defined in Docket No. 20.

Accomplishments

Bluewater Wind-Delmarva Power Purchase Agreement:

- The final phase of Docket No. 06-241 occurred on July 31, 2008 when the four state agencies (Public Service Commission, Controller General, Department of Natural Resources and Environmental Control, and Office of Management and Budget) approved a contract between Delmarva Power and Bluewater Wind for 200 megawatts of energy and capacity from an offshore facility. The DPA was heavily involved in this unprecedented proceeding, which arose from House Bill 6. This provision ensures that Delaware ratepayers pay the lower of either the contract price or the price of any other Bluewater Wind contract, associated with the wind farm.

Sustainable Energy Utility:

- In addition to being statutorily appointed to the Advisory Board of the Sustainable Energy Utility (SEU), the DPA was also a primary resource for the Transit and Energy Committee. The DPA is a full voting member of the Board, which recently approved the request for proposal for a contract administrator. The Board also proposed supporting modifications to the Renewable Portfolio Standards and Regional Greenhouse Gas Initiative auctions for carbon credits. The DPA continues to provide an oversight role in this unique approach to developing broader and more effective energy efficiency. In addition, the Delaware Energy Office requested DPA's participation in the selection process for the contract administrator, the critical administrative position for the SEU.

State Regulatory Activity:

- DPA was one of the settling parties in three recent major utility base rate cases: Chesapeake Utilities, Broadkilm Water and Sussex Shore Water requests for general rate increases. Chesapeake Utilities initial rate request for \$1.5 million was reduced to just over \$300,000 annually.

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- Docket No. 07-20, the proceeding to review Delmarva's IRP, was recently re-energized with the approval of the Bluewater contract noted above. In addition to the technical aspects of the case, the DPA has also developed, presented and received approval for a number of rule changes in Regulation Docket No. 60, initiated to develop long-term guidelines for future IRP filings.
- Positions in Regulation Docket No. 59 (Revenue Decoupling) and Docket No. 07-28 (Advanced Metering) were adopted and approved by the PSC. These dockets will have a significant impact on consumers' ability to manage energy costs and will work synergistically with the SEU's initiatives.
- DPA's position in Regulation Docket No. 15, which promulgates rules and regulations, prescribing how water utilities finance the expansion of their systems to serve new developments, was recently upheld by the Delaware Supreme Court.
- PSC Docket No. 04-391 manages the procurement of energy for Standard Offer Service customers of Delmarva. As part of that proceeding's development, procurement undergoes an annual review. The DPA has successfully negotiated with PSC, Delmarva, and retail and wholesale energy suppliers (e.g., Conectiv and NRG) for a major change in the manner in which energy is purchased on the market. The procedure has been changed from a sealed bid to a reverse auction, which is anticipated to result in lower prices.
- DPA is a key player in Consumer Energy Education Group (CEEG), which was established a few years ago at the onset of the then newly deregulated paradigm. CEEG's charter is to provide consumers with the information and tools to minimize their energy expenditures and to disseminate information on a wide range of state and federal energy assistance programs.

Major Regulatory Activity - Federal:

- DPA is active in both the Joint Consumer Advocates (JCA) and RPM Buyers Group. Both organizations are involved primarily with the PJM Interconnection. Currently, the biggest issue facing wholesale customers is the substantial increase in the costs of facilities to generate and transmit electricity. DPA is currently participating with other consumer advocates and commissions in three separate complaints before the FERC concerning the recent transition to a capacity auction process. The group was successful this year in achieving a

rejection by FERC of a filing that would have increased rates.

- DPA maintains an oversight role for telecommunications issues at the Federal Communications Commission (FCC), which regulates telecommunication services at the national level.

Legislative Matters:

- DPA successfully completed its review by the Joint Sunset Committee and was released from further review in April 2008. A positive result of that review was the successful argument for sponsoring legislation to establish a permanent position in DPA for a Deputy Attorney General, to be provided by the Attorney General's Office.
- Verizon successfully lobbied for a major modification to the TTIA. Through negotiating efforts, the bill was revised to address certain concerns of cable companies and long distance carriers related to access charges and state oversight of telecommunications agreements. Additionally, DPA maintained its role in overseeing service quality for all basic services, including those that form part of package pricing.

Reasonable wholesale energy rates:

- DPA filed a complaint with the FERC in regard to PJM business operations tariffs governing the wholesale market monitor, thereby protecting consumers from price manipulation by generators.
- DPA has been engaged with the Joint Consumer Advocates and RPM Buyers Group in contesting a number of PJM initiatives to increase wholesale rates, and was successful in having the FERC reject a filing to increase rates.
- As a voting member of PJM, DPA has taken aggressive stances on the effectiveness of the new capacity auction process and has been successful in getting PJM to initiate a stakeholder improvement process to secure true competitive results for capacity pricing.
- DPA supported the Bluewater Wind project which will reduce exposure to wholesale markets.

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ACTIVITIES

- Continue 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, such as the Water Supply Coordinating Council, Governor's Energy Advisory Council, Sustainable Energy Utility, 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 the PJM Members Committee.
- Increase electric customers' access to lower cost electric generation assets by advocating that PJM allocate sufficient transmission investment dollars for the Delmarva region.
- 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 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
# of outreach meetings	6	6	6
% Public Comment Sessions	*	80	80
Consumer congestion \$ reductions for PJM zone (millions)	18	20	22
# of new demand response programs implemented	0	2	2
# of customer experienced electric service interruptions	147	<133	<133
# of system electric service interruptions	0.8	<1.6	<1.6
% of customer inquiries responded to in one day or less	50	50	50
% of customer complaints resolved in 3 days or less	75	90	90

*New performance measure.

CORPORATIONS 20-05-00

MISSION

Be America's corporate and alternative business entity domicile of choice. Create 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 alternative business entities in Delaware and thereby, promote a strong economy.

KEY OBJECTIVES

- Increase the number of entities domiciled in the State.
- Increase general fund revenue each year.
- Increase the use of electronic UCC filings.
- Increase the receipt of electronic annual report filings.
- Increase the receipt of electronic tax payments for alternative entities.

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. The Division 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 22 percent of the State's General Fund revenue in Fiscal Year 2008. 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 Division staff.

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A primary focus of Corporations will continue to be customer service and enhancing current technology. To improve operations, the Division continually upgrades its technology and website and implements service enhancements. In the 1980s, Delaware became the first state in the nation to develop a corporate database, imaging and workflow system. The Division is planning to redesign, build and implement a new Integrated Corporation Information System (ICIS) to enable the Division to better serve the needs of our customers. The Division is also committed to maintaining a professional, well-trained staff.

The Division continues to experience long-term growth in business formations. The Division works closely 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 regardless of economic swings.

Accomplishments

- Increased the net number of business entities in Delaware by 7.2 percent or 58,148 in Fiscal Year 2008.
- Successfully handled a 500 percent increase in UCC transactional volume since Fiscal Year 2000.
- Reverted \$6.2 million of unspent funds to the State's General Fund in Fiscal Year 2008.
- Improved customer service by implementing new online service offerings such as Live Online Chat, ACH payments and improvements to the franchise tax filing process.
- Improved efficiency by significantly increasing the percentage of customers using electronic filings in Fiscal Year 2008. Online corporate franchise tax reports, online UCC filings and online limited liability company tax payments have increased to 91 percent, 54 percent, and 41 percent respectively.

FUNDING

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	--	--	--
ASF	13,216.3	17,184.4	17,188.4
TOTAL	13,216.3	17,188.4	17,188.4

POSITIONS

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	--	--	--
ASF	108.0	114.0	114.0
NSF	--	--	--
TOTAL	108.0	114.0	114.0

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 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
# of entities domiciled (thousands)	861.6	896.1	931.9
\$ of net General Fund revenue (millions)	742.1	788.6	806.0
% UCC e-Corp filings	54	58	62
% of domestic corporations filing annual reports electronically	91	93	95
% of alternative entities paying electronically	41	44	47

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, site management plans, and environmental reviews.
- Establish 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 annually 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, educators, fiscal and grant experts, historians, historical interpreters, horticulturists, and preservation tradesmen.

HCA has management oversight for 31 historic properties and adjacent lands across the State, including the operation of eight museums, a conference center, a visitor center, and a museum history store. Historic properties under the care of HCA include schools, courthouses, lighthouses, historic homes, mills, and a (former) church. HCA actively partners with other history minded organizations in the management of some of these properties.

Additionally, HCA cares for more than 90,000 objects in its museum 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 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, historic preservation easements and covenants; and provides technical assistance on a variety of history related inquiries from the public.

Accomplishments

Visitation

- Served 96,432 visitors at Division museums and visitor center, a nine percent increase over the previous year, and 10,183 conference center users, a six percent increase. Supported First State Heritage Park at Dover in welcoming 23,742 visitors.

Museum and Historic Property Restoration

- Completed restorations of the New Castle Court House Museum and Old State House. Completed exterior restoration of the New Castle Academy and initiated HVAC system expansion at the New Castle Arsenal. Completed Americans with Disabilities Act (ADA) improvements at John Dickinson Plantation and initiated design for ADA improvements at Zwaanendael Museum. Developed and implemented a maintenance plan for the Division's Grade Green sites.

Museum Exhibits

- Researched, designed and installed new permanent and changing exhibits in the newly restored New Castle Court House and Old State House, and special exhibits as follows: *From Four Studios: First State Modernism* and *Women in Leadership: Yesterday, Today, and Tomorrow* at the Delaware Visitor Center and Galleries; *Sealed in Glass, Stone, and Tin* at the Museum of Small Town Life; and *Dutch Connections* and *A Well Coppered Bottom: 18th Century Technology and the DeBraak* at the Zwaanendael Museum.

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Communication/Marketing Services

- Developed the Division's first electronic monthly e-newsletter containing a variety of history and preservation related articles, calendar information and web links.
- Added a new on-line story, "Flight to Freedom: Emeline's Story," to the Division's web site. The true story of the Hawkins family and their journey from slavery to freedom compliments the exhibit on display at the New Castle Court House Museum. Added a new web page spotlighting selections from the State's museum collections that contain works of art, historical objects and artifacts.
- Commissioned promotional videos for the New Castle Court House and the Old State House. Published the Museums and Galleries Exhibition Schedule for 2007-2008, a 12-page brochure that highlights current and planned exhibits.

Stewardship and Curatorial Services

- Evaluated existing conditions in collections housing and options for long-term improvements. Where feasible, collections have been reduced and consolidated.
- Drafted property acquisition criteria and initiated procedures for deaccessioning surplus property consistent with preservation values. Secured authority to sell property to long-term tenants with appropriate preservation protections in place.
- Completed conservation treatments of three oil paintings by a Delaware artist and an 1848 map of New Castle County, Delaware.
- Oversaw the return of a large history painting by noted Delaware artist Stanley Arthurs from Gettysburg National Military Park to a new location at DPA.
- Provided lead coordination for the sixth annual Delaware Day Fourth Grade Competition that drew 679 students and 31 teacher participants from across the State.

Horticultural Services

- Refurbished landscapes following construction activities at the New Castle Court House, Old State House and John Dickinson Plantation. Enhanced historical interpretation of Buena Vista through oral history interviews with descendants of former farm residents. Developed landscape and garden maintenance partnerships with non-profit organizations for Fenwick Island Lighthouse and Fort Christina.

Business Controls and Services

- Established a central Division reservation system for vehicles to reduce vehicle use and encourage carpooling.
- Established new internal revenue controls to include procedures for accepting deposits of rents, store revenues and conference center payments.
- Outsourced food services at Buena Vista Conference Center and instituted direct payment to the vendor from users, eliminating the Division's need to make prior payment of vendor bills and collect fees from client agencies.
- Consolidated history stores to one centrally located store at the Visitor Center, thereby reducing costs of inventory purchases and personnel.

Preservation Incentives

- Assigned \$3.4 million in State Historic Preservation Tax Credits to property owners for projects revitalizing historic properties in Delaware communities. Residential properties comprised 38 percent of the projects receiving tax credits and \$478,100 of the total amount credited. Income-producing properties comprised 62 percent of the project receiving tax credits and \$2,965,947 of the total amount credited. Administered Federal Historic Preservation Fund sub-grants of \$47,980 for planning, survey, documentation, research, and publication projects in Delaware's Certified Local Government communities (Milton, Delaware City, Wilmington, and New Castle County).

Preservation and Environmental Review Services

- Received for review and comment 460 new environmental review cases that included federal agency undertakings, State Preliminary Land Use Service (PLUS) projects and cemetery delineations. Of the total, 407 cases have been closed, with the remaining cases in various stages of activity.
- Created new guidelines for archaeological field surveys that do not result in the identification of a site. The guidelines, available online, will make reporting easier for cultural resource consultants, and will expedite the review process for client agencies and the State Historic Preservation Office.
- Implemented the first phase of the Cultural Historic Resource Information System (CHRIS), a web-based geographic information system that enables users to identify and access a wealth of information about historic properties.
- Concluded a memorandum of agreement with the Department of Health and Social Services for use of

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Potters Field for reburial of human remains discovered in the course of land disturbance activities.

Historic Preservation and History Designations

- The National Park Service designated John Dickinson Plantation as a site in the National Underground Railroad Network to Freedom.
- The National Park Service approved the comprehensive State Historic Preservation Plan. "Planning for the Past: Preserving Delaware's Heritage" was published in both print and electronic media.
- The National Register of Historic Places approved the listing of the West Woods Methodist Episcopal Church (near Gumboro), and the Cool Spring Historic District boundary increase (Wilmington).
- Delaware Commission for Women approved the Division's nomination of Elizabeth Empson Battell, innkeeper of the Golden Fleece Tavern, to the Hall of Fame of Delaware Women (posthumously).

Technical Assistance

- Provided expertise to a legislative study committee charged with examining and making recommendations for regulation and oversight of private cemeteries.
- Provided history and material culture expertise for the design of the Delaware Continentals monument installed at Legislative Hall.
- Provided expertise to the National Park Service for its feasibility study of a national park unit in Delaware.
- Assisted the Historic Odessa Foundation in its successful effort to have the Corbit-Sharp House accepted as a site in the National Underground Railroad Network to Freedom.
- Provided expertise to Legislative Council regarding preservation treatments for important works of art in State collections.

Preservation and Museums Outreach

- In partnership with the Lewes Historical Society, coordinated the 10th Annual Chautauqua Tent Show in Lewes that featured character interpretations of John Philip Sousa, Billie Holiday, George Gershwin, and Clifford Brown. The four-day program in June attracted 2,155 visitors.

- In partnership with the Archaeological Society of Delaware, coordinated the first annual symposium on Delaware Valley colonial archaeology. The May symposium held at New Castle Court House attracted 130 people.
- Conducted a free public Historic Preservation Tax Credit workshop in Middletown in partnership with the Middletown Main Street organization.
- Conducted a program on landscaping for historic homes for the Smyrna Downtown Renaissance Association's annual historic preservation symposium.
- Created a partnership with Delaware Nature Society to develop and implement formal education programs at Cooch-Dayett Mill. To date, 714 participants have been involved in hands on programs.

Division Awards and Honors

- Received prestigious national Award of Merit from the American Association for State and Local History (AASLH) for Saving Our Delaware Capitols. The project spotlighted the State's recent restorations of the New Castle Court House and Old State House, both of which have served as Delaware's capitol at different times in history.
- Received Partnership Award from the Delaware State Fire Prevention Commission for the exhibit, Fighting the Dragon: Firefighting in the State of Delaware. The award is given for excellence in promoting fire safety education.
- Received the New Castle Historical Society's Preservation Award for HCA's careful restoration of the New Castle Court House.

FUNDING

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	4,160.2	3,470.9	3,482.2
ASF	279.7	349.7	254.4
TOTAL	4,439.9	3,820.6	3,736.6

POSITIONS

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 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

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

ACTIVITIES

- Distribute the Division's electronic monthly newsletter to a broad network of Division constituent groups.
- Encourage Division employees' awareness of professional ethics through the posting of guidance materials and the incorporation of this responsibility in performance plans.
- Use PastPerfect software to maintain intellectual control over museum objects 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 management plan for each HCA site.
- Use horticultural plans that interpret HCA's historic gardens and landscapes.
- Use facilities management software to maintain control over building site plans and construction updates.
- Ensure compliance with accounting and purchasing regulations.

PERFORMANCE MEASURES

	FY 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
% of sites/collections managed under a management control/maintenance/preservation program	60	75	100
# of HCA staff hours in professional development opportunities	2,480	2,604	2,734

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

ACTIVITIES

- Use Environmental Review Tracking and Monitoring reports.
- Maintain a Cultural History Resource Information system.
- Implement recommendations of the State Historic Preservation Plan.
- Administer the State Historic Preservation Tax Credit program and provide public outreach, fiscal tracking and activity reporting.

- Provide technical assistance and subject area expertise in the fields of historic preservation, archaeology and architectural history.

PERFORMANCE MEASURE

	FY 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
# of management software programs implemented and/or expanded	2	3	4

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

ACTIVITIES

- Enroll in the American Association for State and Local History's Performance Management program for surveys at the New Castle Court House and Old State House.
- Screen promotional videos of the Old State House and New Castle Court House at selected museum sites and distribute clips for use as public service announcements.
- Coordinate the relocation of Stanley Arthurs' painting, The Crusaders, from the Blue Hen Corporate Center to the Delaware Veterans Home.
- Use and foster existing brand, Saving Delaware History, in all public educational programming.
- Develop a standard look and feel for programmatic and site brochures.
- Develop new special events and invigorate established events.
- Create an oral, printed and online interpretative program for all HCA museums.
- Create an online companion exhibit for all gallery spaces.

PERFORMANCE MEASURES

	FY 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
% of visitors satisfied with experience at sites/museums/online services	86	90	95
# of visitors:			
conference centers	10,183	10,692	11,227
museums	96,432	101,254	106,317
First State Heritage Park	23,742	24,929	26,175
# of website visitor sessions	93,024	97,675	102,509

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20-00-00

ARTS

20-07-00

MISSION

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

KEY OBJECTIVES

- Increase financial and technical assistance resources directly available to the field through the Division of the Arts and funding partners.
- Engage the Division's nonprofit arts grantees in professional development and networking opportunities.
- Expand Division outreach with funding, services and public information about the arts.
- Raise the public's awareness of the arts and its impact on community, economy and quality of life.

BACKGROUND AND ACCOMPLISHMENTS

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

As a grant-making organization, the Division has focused its efforts on streamlining the application and review process, sustaining grant programs to support the needs of the field, and generating greater awareness of its grant programs. This includes the incremental migration of grant applications to e-granting. The Division conducts an extensive citizen panel recruitment and training process, and utilizes an independent financial review to ensure a thorough and informed review of all grant applications. In addition to its regular grant categories, the Division continues to support one specialized grant program, now in its third year, Public Impact grants that recognize exemplary work in the area of community impact. A new initiative STARTUP provides workshops and consulting services to emerging art organizations as they build organizational capacity to serve Delawareans.

The Division has also sustained its commitment to individual artists through artist fellowships and opportunity grants, as well as through participating with Mid Atlantic Arts Foundation in an e-grant system for fellowship applications. The Division anticipates adopting e-granting for other grant programs in the future; introducing grants designed specifically to address the needs of new and emerging organizations; and introducing grant programs designed to inspire the commissioning of new works of art in the State.

Accomplishments

Grant Making

- Awarded \$1.21 million to arts organizations, \$124,800 to community organizations, \$24,350 to arts initiatives in underserved areas, \$70,000 to individual artists, and \$140,400 to arts education programs.
- Recognized organizations in all three counties doing exemplary work in the areas of community impact by awarding nine Public Impact grants through a highly competitive process.
- Supported public art projects throughout the State, including the John Milton Statue at Mill Park in Milton, an original opera called Newark: The Opera at the University of Delaware's Performing Arts Center and a community mural in Wilmington.
- Continued the Division's collaboration with the Mid Atlantic Arts Foundation, resulting in an investment of \$110,818 by the Foundation in grants to performing arts presenters in Delaware.

Technical Assistance

- Developed a program for emerging arts organizations to assist with board education, financial management, marketing, and fundraising strategies.
- Provided funding to six organizations for professional development of board and/or staff members through attendance at workshops or bringing in outside consultants.
- Facilitated collaborations on programming and the cross promotion of independent film programs in Delaware by convening a statewide network of film presenters.
- Participated in discussions with Sussex County organizations about the feasibility of a performing arts center for southern Delaware.

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Publicity and Promotion

- Presented 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 presenters in the State.
- Sustained cost-effective communications with constituents through an electronic newsletter, Arts-E-News, featuring information about Division programs.
- Maintained the Division's web-based, searchable artist roster that allows Delaware artists to apply, update their information and submit work samples online. The roster now presents more than 140 Delaware artists.
- Began development of a web-based statewide arts calendar that will launch in Fiscal Year 2009 and feature Delaware's arts and cultural events. Arts and cultural venues will be able to enter their own calendar information into one centralized calendar.
- Partnered with the Biggs Museum of American Art in Dover to promote the Division's artist fellowship winners annually. Through exhibitions, readings, performances, public receptions, and education programs the museum has provided access to these artists and their artwork.
- Released Delaware State of the Arts Study, a longitudinal study of the financial health of 33 Delaware arts organizations, and held a public meeting to review the results. Subsequent interviews were held with the researchers on the Division's radio talk show, Delaware State of the Arts.
- Published two editions of Artline for distribution statewide, presenting the Division's annual report in the fall, and the Fellowship recipients in the spring.

Public Participation

- Sponsored readings and public appearances by Poet Laureate, Fleda Brown, in schools and community gatherings throughout the State.
- Managed the selection process for the new Poet Laureate, JoAnn Balingit, upon Fleda Brown's resignation.
- Coordinated the third annual Poetry Out Loud event, a national poetry recitation contest for high school students. The program encouraged high school students to memorize and perform great poems, helped students master public speaking skills and build self-confidence.

- Served as a resource for arts programming for numerous community groups and agencies including: Delaware Veterans Home, Delaware Festival of the Book, Delaware Folk Life program, Division of Libraries, Division of Historical and Cultural Affairs, Parks and Recreation, Department of Education, First State Heritage Park, Delaware Humanities Forum, City of Wilmington, Governor's School for Excellence, Tourism Office, and Main Street organizations.

FUNDING

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	2,138.7	1,970.9	1,759.0
ASF	--	--	--
TOTAL	2,138.7	1,970.9	1,759.0

POSITIONS

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 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.
- 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 Artline, Arts E-News and the Division's website. Partner with print, radio and television media outlets to expand their coverage of the arts.
- Promote Delaware artists through Mezzanine Gallery exhibitions and performances, issue artist fellowship grants, coordinate the Poet Laureate's appearances, and maintain the Delaware Artist Roster.

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- 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 electronic communications, e-granting and e-government initiatives.

PERFORMANCE MEASURES

	FY 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
\$ of financial resources for grants (millions)	1.82	1.77	1.77
% of grantee organizations participating in division sponsored professional development	65*	40	65*
# of communities served	31	30	30
# of partners/counties presenting fellowship artists work	1	2	2
Customer satisfaction (scale 1-5)	4.1	3.5	3.5

**Includes the Arts Summit.*

**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 Division of Libraries' Strategic Plan reflects the ongoing 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 and integrate 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 4.4 million visits, answered more than half a million reference questions and circulated more than 7.8 million books and other materials during 2008.

The State has provided significant funding to support public libraries including: State aid for operating expenditures, library construction, library technologies, and Librarian/Archivist Scholarship Loan program. Delaware is ranked 7th in the nation for state aid per capita, which increased from \$2.2 million in Fiscal Year 2001 to more than \$4.5 million in Fiscal Year 2009.

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 to 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,

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administering \$40 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 28 libraries including all of the public libraries in Kent and Sussex counties, Delaware Technical and Community College, Wesley College, Delaware Public Archives, and the Division of Libraries. Four more libraries were added in Fiscal Year 2007 - Division of Historical and Cultural Affairs, Division of Substance Abuse and Mental Health, Lewes Historical Society, and Sussex Tech High School. During Fiscal Year 2008, Delmarva Christian High School library and the Delaware Academy of Medicine library joined the catalog, to further broaden and deepen the subject content in the collection of a million items.

DelAWARE library online 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 2008, DelAWARE recorded more than 679,000 searches and more than 736,000 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 41,692 talking books to over 1,100 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. More than 2,500 book enthusiasts attended the annual Delaware Book Festival in November 2007 at the First State Heritage Park. The Delaware Summer Library Reading program encourages children to read over the summer and helps them to maintain their reading skills. More than 10,000 children participate in the annual program. The Delaware Library Learning Journeys program made

its debut, serving over 300 public library users in the initial 16 programs. Delaware Library Learning Journeys is an action research project to design tools, tips, and techniques for library users in support of self-directed lifelong learning.

FUNDING

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	8,499.7	7,642.9	7,322.0
ASF	95.2	--	--
TOTAL	8,594.9	7,642.9	7,322.0

POSITIONS

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	13.0	12.0	12.0
ASF	--	--	--
NSF	9.0	8.0	8.0
TOTAL	22.0	20.0	20.0

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 Library professional development.
- Administer the Delaware Library for the Blind and Physically Handicapped.
- Coordinate Delaware Center for the Book activities including the annual Delaware Book Festival.

PERFORMANCE MEASURES

	FY 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
# of library card holders	495,774	545,000	565,000
Library square footage	413,167	525,880	567,344
# of professional development enrollments	876	483	507
# of library computer users	58,338	69,813	76,795

STATE
20-00-00

DELAWARE 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.
- Ensure that the admissions process is effective and targets desired results of qualified veterans or a census consistently maintained at 90 percent occupancy or more.
- 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, the Commission of Veterans Affairs, veteran service organizations and Delaware's 80,000+ veterans. The Home was dedicated on December 6, 2006, and admitted its first three residents on June 11, 2007. The Home provides 150 beds of skilled and intermediate nursing 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 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	9,968.1	14,599.7	16,254.2
ASF	--	--	--
TOTAL	9,968.1	14,599.7	16,254.2

POSITIONS

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	262.5	262.5	262.5
ASF	--	--	--
NSF	--	--	--
TOTAL	262.5	262.5	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.
- Communicate commitment to quality for residents, family members and the community.
- Instill in every staff member the value of high quality resident care and the dignity of each resident.
- Consistently review Federal F-Tag and Department of Veterans Affairs standards to ensure the Home is compliant with most recent standards.
- Communicate to all staff members any changes to state, federal and Veterans Affairs regulations and policies.
- Conduct mock surveys throughout facility to ensure compliance with standards.
- Aggressively pursue all findings from all surveys to ensure the chance of repeated citations is eliminated.
- Continue to aggressively market services to veterans and veteran service organizations throughout the State of Delaware.
- Continue to establish and maintain relationships with all potential referral sources, including discharge planners for community and state hospitals, the Veterans Association Medical Center/Elsmere, local hospices, rehabilitation therapy providers, and competing long-term care facilities.
- Continue to monitor and maintain staffing plans to ensure required staffing levels are in place as the resident census grows.
- Attend area career fairs, healthcare symposia and other potential sources of RN and CNA candidates.
- Recruit top echelon educators for in-service training, and market these training opportunities to other facilities.
- Maintain and enhance tracking of credentials for registered nurses, CNAs and all other credentialed staff to ensure no licensure lapses occur.

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PERFORMANCE MEASURES

	FY 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
% of surveyed residents and family members who are satisfied with care	*	*	90
% occupancy rate	67**	90	90
% staff vacancy rate	21	15	15
# of CEU-granting in-service training opportunities offered	0	12	12

**New performance measure.*

***Based on Intermediate and Skilled Nursing Care beds only.*

**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 and mortgage loan originators, resolving consumer complaints, 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.
- Enhance confidence in the integrity of the mortgage lending process by licensing and regulating mortgage loan originators.
- Create an environment of service to consumers by responding to informational inquiries and resolving complaints against regulated financial institutions.
- 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 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 26,000 in 2008.

The responsibilities of the Office of the State Bank Commissioner have grown significantly since 1981. Today the office supervises 19 banks with assets of over \$55 billion, as well as 24 non-deposit trust companies, two building and loan associations, and 915 licensed

STATE
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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. In 2008, the General Assembly enacted a new law to improve regulation of the mortgage lending industry and protect consumers by providing for licensing of mortgage loan originators. The Office of the State Bank Commissioner is actively engaged in responding to consumer inquiries and complaints. The bank franchise tax administration is demanding due to the substantial collection levels and the increase in the requisite oversight.

Accomplishments

- Chartered one new limited purpose trust company.
- Collected \$129.7 million in bank franchise tax revenues and provided periodic estimates to DEFAC to support the budgetary process.
- Successfully defended the constitutionality of the bank franchise tax against a taxpayer challenge in *Lehman Brothers Bank, FSB v. State Bank Commissioner*.
- Conducted 275 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 915 financial services institutions.
- Resolved 1,307 written consumer complaints.
- Protected homeowners by developing legislation to license mortgage loan originators and require counseling for reverse mortgages, and by adopting new mortgage lending regulations, the Guidance on Nontraditional Mortgage Product Risks and the Statement on Subprime Mortgage Lending.
- Protected consumers who purchase preneed funeral contracts by developing new legislation and adopting an implementing regulation requiring licensees to obtain surety bonds or irrevocable letters of credit.
- Relieved regulatory burden on check sellers and money transmitters by developing new legislation and adopting an implementing regulation for licensing exemptions for entities otherwise subject to state or federal regulation.

FUNDING

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	34.0	--	--
ASF	3,264.9	3,542.6	3,584.9
TOTAL	3,298.9	3,542.6	3,584.9

POSITIONS

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2010 GOV. REC.
GF	--	--	--
ASF	38.0	38.0	40.0
NSF	--	--	--
TOTAL	38.0	38.0	40.0

STATE BANKING COMMISSION
20-15-01

ACTIVITIES

- Examine state-chartered banks and trust companies for safety and soundness; examine financial services licenses for compliance with state and federal laws; and examine all banking organizations to make sure that abandoned property is escheated to the State.
- Encourage applicants to form new banks and trust companies.
- Issue new licenses and renew existing licenses for non-depository financial services institutions.
- License and regulate mortgage loan originators.
- 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 2008 Actual	FY 2009 Budget	FY 2010 Gov. Rec.
# of bank, trust company, licensee, and escheat examinations	275	275	275
# of licensed non-depository institutions	915	1,000	1,000
# of licensed mortgage loan originators	*	2,500	2,500
# of written consumer complaints resolved	1,307	1,500	1,500
\$ bank franchise tax (millions)	129.7	128.7	109.4

*New performance measure.