



**State of Maine  
Department of Administrative and Financial Services  
Division of Purchases**

**Director: Betty Lamoreau**

**DATE: 11/7/2008**

**PROGRAM CIRCULAR NUMBER: DP-CONT-0011**

**TOPIC: Guidance for the Reduction or Termination of Contracts for Services**

Maine's BP54 Agreement to Purchase Services includes the following language in Rider B, Paragraph 15. This paragraph allows a Department to reduce or terminate contracts whenever it is in the State's best interest. Reductions or terminations of contracts can be proposed in your Department's plan to meet the Governor's cost reduction targets. If those reductions or terminations are approved to move forward, the Division of Purchases will provide specific instructions and a Reduction or Termination Template for your use.

**BP54 Rider B - - Payment and Other Provisions**

15. **TERMINATION** The performance of work under the Agreement may be terminated by the Department in whole, or in part, whenever for any reason the Agreement Administrator shall determine that such termination is in the best interest of the Department. Any such termination shall be effected by delivery to the Provider of a Notice of Termination specifying the extent to which performance of the work under the Agreement is terminated and the date on which such termination becomes effective. The Agreement shall be equitably adjusted to compensate for such termination, and modified accordingly.