

D12A02
Office for Individuals with Disabilities

Operating Budget Data

(\$ in Thousands)

	<u>FY 02</u>	<u>FY 03</u>	<u>FY 04</u>	<u>FY 02-04</u> <u>Change</u>	<u>FY 05</u>	<u>FY 04-05</u> <u>Change</u>
Operations	\$1,231	\$1,310	\$1,408	\$177	\$2,401	\$993
Contractual Services	250	213	238	-\$12	232	-6
Grants	2,057	727	539	-\$1,518	531	-8
Contingent & Back of Bill Reductions	0	0	0	\$0	-5	-5
Adjusted Grand Total	\$3,538	\$2,250	\$2,185	-\$1,353	\$3,159	\$974
General Funds	677	574	557	-\$120	1,536	979
Contingent & Back of Bill Reductions	0	0	0	\$0	-2	-2
Adjusted General Funds	\$677	\$574	\$557	-\$120	\$1,534	\$976
Special Funds	0	52	101	\$101	92	-9
Federal Funds	2,582	1,559	1,461	-\$1,121	1,463	2
Contingent & Back of Bill Reductions	0	0	0	\$0	-2	-2
Adjusted Federal Funds	\$2,582	\$1,559	\$1,461	-\$1,121	\$1,461	\$0
Reimbursable Funds	279	65	66	-\$213	72	6
Adjusted Grand Total	\$3,538	\$2,250	\$2,185	-\$1,353	\$3,159	\$974
Annual % Change		-36.4%	-2.9%		44.6%	

- The change from fiscal 2002 to 2004 reflects a \$1.4 million decrease in spending due to a transfer during fiscal 2002 of federal grant funds for the Technology Assistance Program into a nonlapsing nonbudgeted fund.
- The fiscal 2005 allowance is an increase of approximately \$974,000, or 45%, over the fiscal 2004 working appropriation. These costs are related to the proposal to create a new Department of Disabilities.

Note: Numbers may not sum to total due to rounding.

For further information contact: Deepa Bhattacharyya

Phone: (410) 946-5530

Personnel Data

	<u>FY 02</u>	<u>FY 03</u>	<u>FY 04</u>	<u>FY 02-04</u> <u>Change</u>	<u>FY 05</u>	<u>FY 04-05</u> <u>Change</u>
Regular Positions	15.0	15.0	15.0	0.0	26.0	11.0
Contractual FTEs	2.0	2.5	5.0	3.0	5.0	0.0
Total Personnel	17.0	17.5	20.0	3.0	31.0	11.0

Vacancy Data: Regular Positions

Turnover Expectancy	0.30	1.15%
Positions Vacant as of 12/31/03	2.00	13.33%

- The fiscal 2005 allowance provides for 11 additional regular positions. Ten of the additional regular positions would be new PINs. The new deputy director position is an existing PIN that will be transferred from the Department of Health and Mental Hygiene (DHMH).
- Two of the new PINs were approved as contractual positions through the end of fiscal 2004 by the Board of Public Works in January 2004. These positions are the Child Policy Specialist position and the Director of the Office of Research and Evaluation position, which convert to new regular PINs in the fiscal 2005 allowance.
- Two contractual positions will also be added in the fiscal 2005 allowance.

Analysis in Brief

Issues

Proposed Cabinet-level Department of Disabilities: The Governor's 2005 allowance proposes to transition the Office for Individuals with Disabilities (OID) to a new cabinet-level Department of Disabilities. The fiscal 2005 allowance includes funding for 11 additional regular positions, 10 of which would be new PINs. The proposed department's main focus would be to study and coordinate the policies of existing programs serving individuals with disabilities within the State. **Given the current fiscal condition of the State, the Department of Legislative Services recommends that the funds for the new positions and associated costs be deleted for fiscal 2005.**

Recommended Actions

	<u>Funds</u>	<u>Positions</u>
1. Delete 10 new positions and associated costs for proposed cabinet-level Department of Disabilities.	\$ 927,152	10.0
Total Reductions	\$ 927,152	10.0

Updates

Maryland Technology Assistance Program Grant Subject to Federal Reauthorization in Federal Fiscal 2004: The OID Technology Assistance Program will likely continue, even if an omnibus appropriations bill does not pass in the U.S. Congress in January 2004. If the omnibus bill does not pass, the federal government is likely to adopt another bill that would continue funding at current levels.

D12A02 - Office for Individuals with Disabilities

D12A02
Office for Individuals with Disabilities

Operating Budget Analysis

Program Description

The Office for Individuals with Disabilities (OID) provides information on programs and services for Maryland citizens with disabilities, identifies and works to improve services, coordinates and supports public and private agencies serving individuals with disabilities, monitors and encourages State compliance with laws and policies affecting people with disabilities, and recommends capital projects to improve accessibility at State facilities. The key goals of OID are:

- to raise awareness of information and resources available to individuals with disabilities;
- to identify and remove barriers that negatively impact the quality of life for people with disabilities; and
- to create a climate in which meaningful employment opportunities exist for people with disabilities.

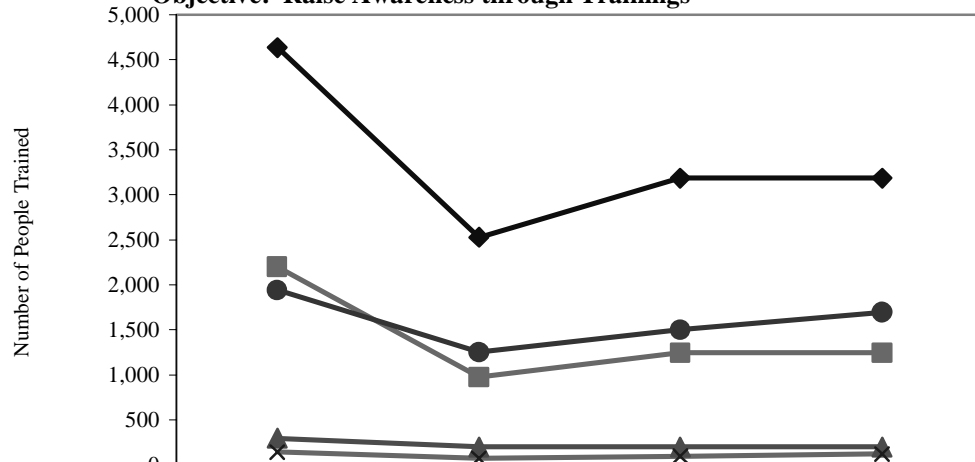
Performance Analysis: Managing for Results

OID demonstrated success at achieving its stated goals through fiscal 2002 actuals and 2003 estimates, but actual data from fiscal 2003 shows that OID failed in some instances to meet its 2002 levels or its estimates for 2003. For example, **Exhibit 1** shows OID's performance data for its objective to raise awareness through trainings.

Exhibit 1

**Performance Measurement Data
Office for Individuals with Disabilities**

Objective: Raise Awareness through Trainings



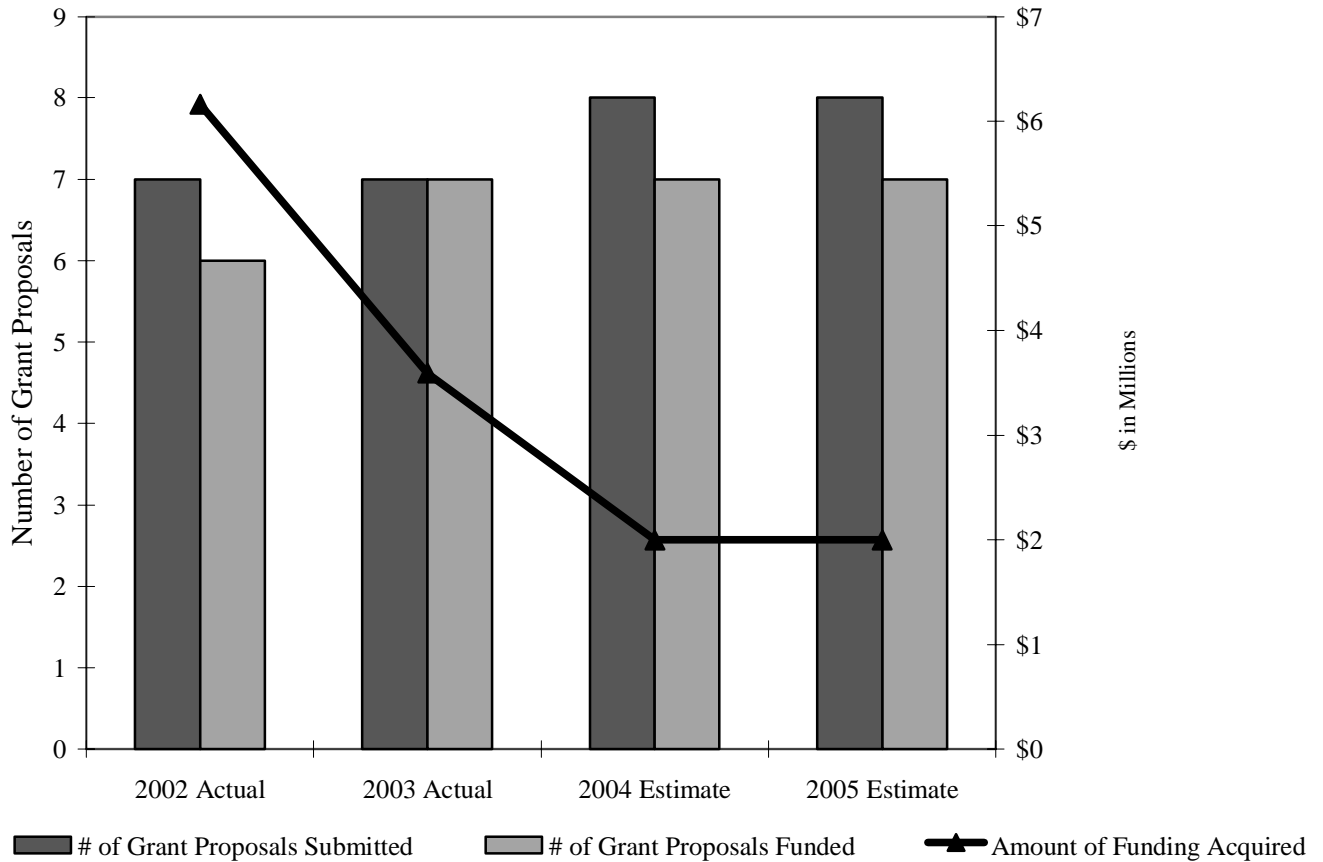
	2002 Actual	2003 Actual	2004 Estimate	2005 Estimate
◆ Number of People at Trainings	4,635	2,531	3,185	3,185
■ Number of People Trained by Technical Assistance Program	2,200	978	1,245	1,245
▲ Number of Attendees at Governor's Committee on Employing People with Disabilities	299	200	200	200
✕ Number of Attendees at Americans with Disabilities Act Training	144	76	100	125
● Number of Attendees at Other Trainings	1,941	1,251	1,500	1,700

Source: Office for Individuals with Disabilities

Exhibit 2 shows OID's performance data for the objective to identify and increase funding for State programs serving people with disabilities in Maryland. The numbers of grant proposals submitted and funded rise only slightly, while the amount of funding acquired decreases sharply.

**Exhibit 2
Performance Measurement Data
Office for Individuals with Disabilities**

Objective: Increase Funding for Programs



Source: Office for Individuals with Disabilities

Proposed Department

OID also submitted Managing for Results information for the proposed Department of Disabilities. The information is presented in **Appendix 4**. The major focus of the new department would be to study and coordinate the policies of existing disability programs provided by various State agencies. After the first year, the department may transition from a policy focus toward more coordination of programs and services, but the department is not slated to at any time directly provide services to individuals with disabilities.

D12A02 – Office for Individuals with Disabilities

At this time, the Managing for Results data is still under some revision. However, many of the objectives should be modified to include measurable results that are time bound. These are some examples of unclear performance measures:

- percentage of Executive Branch departments assessed by identifying disability services, how funds are allocated, and their institutional capacity;
- percentage of action plans and performance measures obtained from Executive Branch departments that are consistent with the department's recommendations;
- percentage of identified opportunities for increased funding in the Federal Register;
- percentage of major groups of individuals with disabilities identified;
- percentage of numbers of individuals within each major group identified;
- percentage of physical locations of residence and/or employment of individuals with disabilities identified;
- percentage of existing emergency preparedness plans in Maryland reviewed;
- percentage of existing plans modified; and
- percentage of new plans developed.

These performance measures are unclear because the agency's target to achieve all of these measures is 100%. For example, the agency's goal is to identify 100% of the opportunities for increased funding. Of course, the agency will achieve 100% of the opportunities it identifies because those are all of the opportunities that were identified. Another performance goal is to identify 100% of major groups of individuals with disabilities. This target measure is vague and not time-bound. Another target measure is to develop 100% of new emergency preparedness plans. This again is unclear, as 100% of the new plans would obviously have been developed. The agency should modify its objectives to be measurable performance targets that are time-bound.

Governor's Proposed Budget

As **Exhibit 3** shows, the fiscal 2005 allowance reflects an increase for the proposed Department of Disabilities of approximately \$974,000, or 45%, over the fiscal 2004 working appropriation. General funds increase by \$977,000, or 176%. Most of the increase results from personnel expenses, which increase by over \$760,000 due to the addition of 11 regular positions. Other major increases are due to the costs of office space and supplies for the additional staff.

Exhibit 3
Governor's Proposed Budget
Office for Individuals with Disabilities
(\$ in Thousands)

	<u>FY 03</u> <u>Actual</u>	<u>FY 04</u> <u>Approp.</u>	<u>FY 05</u> <u>Allowance</u>	<u>FY 04-05</u> <u>Change</u>	<u>FY 04-05</u> <u>% Change</u>
General Funds	\$574	\$557	\$1,536	\$979	175.8%
Contingent & Back of Bill Reductions	0	0	-2	-2	
Adjusted General Funds	\$574	\$557	\$1,534	\$977	175.4%
Special Funds	\$52	\$101	\$92	-\$9	-8.9%
Federal Funds	\$1,559	\$1,461	\$1,463	\$2	0.1%
Contingent & Back of Bill Reductions	0	0	-2	-2	
Adjusted Federal Funds	\$1,559	\$1,461	\$1,461	\$0	0.0%
Reimbursable Funds	\$65	\$66	\$72	\$6	9.1%
Adjusted Reimbursable Funds	\$65	\$66	\$72	\$6	9.1%
Adjusted Grand Total	\$2,250	\$2,185	\$3,159	\$974	44.6%

Where It Goes:

Personnel Expenses

New positions.....	\$707
Employee increments	15
Employee and retiree health insurance	19
Workers' compensation premium assessment.....	6
Turnover adjustments	9
Other fringe benefit adjustments.....	14

Other Changes

Ensure that Programs and Services Are Accessible

Additional postage and telephone costs of additional staff and expanded duties	33
Increased travel to promote community outreach activities	36

Monitor and Evaluate State Disability Programs

Increased IT funds to support expanded programs	13
Additional garage rent to accommodate new positions.....	12

D12A02 – Office for Individuals with Disabilities

Where It Goes

Additional computers and office equipment for new staff	30
Lease cost of new space to accommodate proposed department	88
Other	-8
Total	\$974

Note: Numbers may not sum to total due to rounding.

Impact of Cost Containment

The fiscal 2005 allowance reflects the elimination of \$4,872, the appropriation for matching employee deferred compensation contributions up to \$600, contingent upon enactment of a provision in budget reconciliation legislation.

Personnel Changes

The allowance adds 11 new regular positions. Two of the new positions (Child Policy Specialist and Director of the Office of Research and Evaluation) are conversions of contractual positions created by the Board of Public Works in January 2004. Another of the new positions is transferred from the Department of Health and Mental Hygiene. The other eight additional regular positions in the fiscal 2005 allowance are policy analyst and administrative positions.

Issues

1. Proposed Cabinet-level Department of Disabilities

The Governor's fiscal 2005 allowance proposes to transition OID to a new cabinet-level Department of Disabilities. The administration will introduce legislation during the 2004 session to create this new department that will have as its main focus the coordination of the disability services that are currently provided by various State agencies. Much as OID does now, the new department would:

- empower individuals with disabilities;
- develop a strategic plan;
- analyze existing disability services;
- maximize federal funding through a new Office of Research and Evaluation (ORE);
- prepare disability impact statements;
- develop a unified approach to grant-writing;
- unify compliance with Americans with Disabilities Act (ADA) pursuant to Olmstead*;
- provide independent monitoring of other State agencies; and
- increase community outreach.

Background

Community Access Steering Committee

In 2001, the Community Access Steering Committee (CASC), staffed by representatives of various State agencies, submitted a report to the Governor, noting that the State's disability programs are fragmented and difficult to navigate due to different funding streams and federal requirements. The report also noted that the shortage of resources was a barrier to the efficient provision of services. The 82-page report sets forth a comprehensive plan for improving disability resources to Maryland citizens.

*Olmstead v. L.C., 527 U.S. 581 (1999).

Interagency Workgroup

The CASC recommended the establishment of an Interagency Workgroup to coordinate programs for people with disabilities. The recommended workgroup would have representatives from the State agencies with disabilities programs, such as Department of Health and Mental Hygiene, Department of Human Resources, Department of Aging, Maryland Department of Transportation, Department of Housing and Community Development, and Department of Budget and Management. The workgroup would therefore utilize existing State positions and resources to improve disability services. The report sets forth a detailed plan with recommended practices and strategies for the provision of more coordinated and efficient disability services. Despite the detailed plan and recommendations, the Interagency Workgroup has not been implemented. **The Interagency Workgroup, recommended by CASC, should be established before spending an additional \$1 million to create a new layer of policy analysis in the cabinet-level Department of Disabilities.**

Commission on the Structure and Efficiency of State Government

The Commission on the Structure and Efficiency of State Government (commission) issued a report in December 2003 that cited a lack of centralized leadership at the State level to develop, coordinate, and implement policies and services for the disabled and special needs communities. The commission recommended elevating OID to cabinet-level status and merging the Office of the Deaf and Hard of Hearing into the new department. Contrary to the commission's recommendation, the Governor's proposal does not plan to merge the Office of the Deaf and Hard of Hearing (ODHH) into the new department. **OID should comment on why ODHH is not included in the administration's proposal.**

Additional Positions

The Governor's allowance proposes to add 10 new regular positions (**Exhibit 4**), transfer one position from DHMH, and increase the agency's budget by nearly \$1 million. One of the new positions would be a grant coordinator position. However, the Department of Planning and the newly created Governor's Grants Office already manage this function for the State. None of these new positions qualify as critical pursuant to the guidelines for new positions established by the Spending Affordability Committee. The additional regular positions are all noncritical administrative positions.

Recommendation

An Interagency Workgroup staffed with representatives who are current employees of various State agencies with existing disability programs would be a more efficient use of resources during this time. **The Department of Legislative Services (DLS) recommends that the 10 new positions and associated costs of the proposed new cabinet-level Department of Disabilities be deleted for fiscal 2005.**

Exhibit 4
New Positions for Proposed Department

<u>Position Title</u>	<u>Number</u>	<u>Average Salary</u>
Administrative Officer I	3	\$37,009
Administrator V	1	63,309
Executive Assistant I	2	55,472
Executive Assistant II	4	63,309

Source: Department of Budget and Management

Recommended Actions

	<u>Amount Reduction</u>		<u>Position Reduction</u>
1. Delete 10 new positions and associated costs for proposed cabinet-level Department of Disabilities. New noncritical positions and costs should not be incurred given the current fiscal condition of the State.	\$ 927,152	GF	10.0
Total General Fund Reductions	\$ 927,152		10.0

Updates

1. Maryland Technology Assistance Program Grant Subject to Federal Reauthorization in Federal Fiscal 2004

On January 20, 2004, the U.S. Congress is scheduled to vote on an omnibus appropriations bill that contains the funds for the OID Technology Assistance Program (TAP). Even if that bill does not pass, another bill will likely be passed that would continue the current funding for the Technology Assistance Program. OID is working to provide Congress with information for a possible new Assistive Technology Act.

Current and Prior Year Budgets

Current and Prior Year Budgets Office for Individuals with Disabilities (\$ in Thousands)

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2003					
Legislative Appropriation	\$584	\$108	\$1,408	\$0	\$2,100
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	0	0	256	95	351
Cost Containment	-5	0	0	0	-5
Reversions and Cancellations	-5	-56	-104	-30	-195
Actual Expenditures	\$574	\$52	\$1,560	\$65	\$2,251
Fiscal 2004					
Legislative Appropriation	\$557	\$101	\$1,411	\$0	\$2,069
Cost Containment	0	0	0	0	0
Budget Amendments	0	0	50	66	116
Working Appropriation	\$557	\$101	\$1,461	\$66	\$2,185

Note: Numbers may not sum to total due to rounding.

Fiscal 2003

The fiscal 2003 appropriation for OID increased by approximately \$351,000. Approximately \$206,000 of these funds was used by the Maryland Developmental Disabilities Council for operating expenses and to provide support and resources to families of developmentally disabled children.

D12A02 - Office for Individuals with Disabilities

Federal funds in the amount of \$50,000 that were awarded for TAP during fiscal 2003 were also appropriated. Reimbursable funds in the amount of \$35,000 were appropriated from the Maryland State Department of Education (MDSE), Division of Rehabilitation Services (DORS) to develop a Business Leadership Network (BLN) in Southern Maryland, which is an employer-based network to promote the hiring of disabled people, and \$60,000 were appropriated from the Department of Human Resources Community Services Administration to expand the availability of affordable and accessible housing. Cost containment reduced OID's general fund appropriations by approximately \$5,000, in general administration and employee transit costs. Reversions and cancellations accounted for approximately \$195,000. This amount includes \$5,000 in general funds due to the office director position being temporarily unfilled, \$56,000 in special funds due to federal funds becoming available to cover the salary of one TAP administrator position, and \$104,000 in federal funds due to TAP implementing a grant program late and a budget amendment processed late in the year.

Fiscal 2004

Reimbursable funds increase the fiscal 2004 working appropriation by about \$66,000. Approximately \$54,000 of the increase is due to a newly created Emergency Preparedness Coordinator position funded by the Department of Health and Mental Hygiene through a grant from the Centers for Disease Control and Prevention, and \$12,000 of the increase arises from an agreement with the MSDE DORS to fund the establishment of a BLN in Southern Maryland. Federal funds increase by \$50,000 due to a newly received grant from the U.S. Department of Education for Disability and Business Technical Assistance Centers that work to clarify the provisions and requirements of the Americans with Disabilities Act. OID TAP intends to use the federal funds to hire one FTE contractual employee to coordinate the program.

**Object/Fund Difference Report
Office for Individuals with Disabilities**

<u>Object/Fund</u>	<u>FY03 Actual</u>	<u>FY04 Working Appropriation</u>	<u>FY05 Allowance</u>	<u>FY04 - FY05 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	15.00	15.00	26.00	11.00	73.3%
02 Contractual	2.50	2.00	5.00	3.00	150.0%
Total Positions	17.50	17.00	31.00	14.00	82.4%
Objects					
01 Salaries and Wages	\$ 893,074	\$ 944,338	\$ 1,714,254	\$ 769,916	81.5%
02 Technical & Spec Fees	156,652	242,163	216,625	-25,538	-10.5%
03 Communication	61,938	46,748	82,735	35,987	77.0%
04 Travel	34,813	43,620	85,876	42,256	96.9%
07 Motor Vehicles	14,661	1,223	23,614	22,391	1830.8%
08 Contractual Services	212,847	237,829	231,530	-6,299	-2.6%
09 Supplies & Materials	18,010	18,220	26,960	8,740	48.0%
10 Equip - Replacement	8,490	250	33,500	33,250	13300.0%
11 Equip - Additional	34,185	9,822	39,791	29,969	305.1%
12 Grants, Subsidies Contr	727,206	539,067	530,862	-8,205	-1.5%
13 Fixed Charges	88,415	101,471	177,878	76,407	75.3%
Total Objects	\$ 2,250,291	\$ 2,184,751	\$ 3,163,625	\$ 978,874	44.8%
Funds					
01 General Fund	\$ 574,499	\$ 557,285	\$ 1,536,138	\$ 978,853	175.6%
03 Special Fund	51,760	100,781	92,258	-8,523	-8.5%
05 Federal Fund	1,559,032	1,461,035	1,463,300	2,265	0.2%
09 Reimbursable Fund	65,000	65,650	71,929	6,279	9.6%
Total Funds	\$ 2,250,291	\$ 2,184,751	\$ 3,163,625	\$ 978,874	44.8%

Note: Fiscal 2004 appropriations and fiscal 2005 allowance do not include deficiencies, cost containment, and contingent reductions.

**Fiscal Summary
Office for Individuals with Disabilities**

<u>Unit/Program</u>	<u>FY03 Actual</u>	<u>FY04 Legislative Appropriation</u>	<u>FY04 Working Appropriation</u>	<u>FY03 - FY04 % Change</u>	<u>FY05 Allowance</u>	<u>FY04 - FY05 % Change</u>
01 General Administration	\$ 2,250,291	\$ 2,068,766	\$ 2,184,751	-2.9%	\$ 3,163,625	44.8%
Total Expenditures	\$ 2,250,291	\$ 2,068,766	\$ 2,184,751	-2.9%	\$ 3,163,625	44.8%
General Fund	\$ 574,499	\$ 557,284	\$ 557,285	-3.0%	\$ 1,536,138	175.6%
Special Fund	51,760	100,780	100,781	94.7%	92,258	-8.5%
Federal Fund	1,559,032	1,410,699	1,461,035	-6.3%	1,463,300	0.2%
Total Appropriations	\$ 2,185,291	\$ 2,068,766	\$ 2,119,101	-3.0%	\$ 3,091,696	45.9%
Reimbursable Fund	\$ 65,000	\$ 0	\$ 65,650	1.0%	\$ 71,929	9.6%
Total Funds	\$ 2,250,291	\$ 2,068,766	\$ 2,184,751	-2.9%	\$ 3,163,625	44.8%

Note: Fiscal 2004 appropriations and fiscal 2005 allowance do not include deficiencies, cost containment, and contingent reductions.

Managing for Results Proposed Department of Disabilities

Program Description

The Department of Disabilities seeks to establish an innovative solution-driven policy administration vested with the authority to improve the service delivery system for people with disabilities. The Department of Disabilities will work to increase the capacity of Maryland communities to provide services in inclusive settings; create a citizen-centered delivery system in which consumers can exercise meaningful choice and maintain control of their lives; infuse the service delivery system with elevated expectations about the capacities of people with disabilities; incorporate accessible and universal design into Maryland's communities and technologies; and construct a seamless, responsive, and coordinated service delivery system. To this end, the Department of Disabilities will provide information on programs and services available to Marylanders with disabilities, expertise regarding law and State compliance issues, and facilitate the ability of disabled citizens to access resources, information, and technology.

Vision

The Department of Disabilities envisions Maryland as a State where people with disabilities are provided with the right supports, training, and opportunities so that they may live independent, productive, and full lives in the communities where they live, work, play, learn, and prosper.

Mission

The mission of the Department of Disabilities is to empower individuals with disabilities in the communities where they live to achieve their personal and professional goals.

Key Goals

- Develop and put into place a Statewide Disability Implementation plan designed to improve, coordinate, consolidate, and unify services and funding for individuals with disabilities.
- Evaluate and monitor the effectiveness and quality of disability services.
- Maximize the ability to leverage external funding for State programs that provide meaningful supports and services for persons with disabilities.

D12A02 - Office for Individuals with Disabilities

- Increase the independence of Maryland citizens with disabilities by raising their awareness of and access to assistive technology; and by providing loans for the acquisition of assistive, informational, and educational technology and equipment needed to telework or operate home-based businesses.
- Ensure that programs and services provided by State government are programmatically and physically accessible as required by both Section 504 of the Rehabilitation Act and the Americans with Disabilities Act.
- Decrease the barriers to employment opportunities within State agencies and private businesses for persons with disabilities.
- Develop a plan for Maryland to support the needs of individuals with disabilities during a disaster.
- Provide excellent resource and service referral information to persons with disabilities and service providers throughout the State.
- Inform the disability community of pertinent issues and developments within the State through a comprehensive and targeted community outreach effort.