

**D14A14**  
**Office for Children, Youth, and Families**

***Operating Budget Data***

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(\$ 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	\$4,338	\$4,202	\$3,892	-\$445	\$4,084	\$191
Contractual Services	1,869	1,629	1,172	-\$697	1,041	-131
Grants	674	381	436	-\$238	596	160
Contingent & Back of Bill Reductions	0	0	0	\$0	-21	-21
<b>Adjusted Grand Total</b>	<b>\$6,880</b>	<b>\$6,212</b>	<b>\$5,500</b>	<b>-\$1,380</b>	<b>\$5,700</b>	<b>\$200</b>
General Funds	4,865	4,903	3,964	-\$901	4,165	200
Contingent & Back of Bill Reductions	0	0	0	\$0	-21	-21
<b>Adjusted General Funds</b>	<b>\$4,865</b>	<b>\$4,903</b>	<b>\$3,964</b>	<b>-\$901</b>	<b>\$4,144</b>	<b>\$179</b>
Special Funds	328	235	429	\$101	429	0
Federal Funds	168	200	174	\$5	381	207
Reimbursable Funds	1,519	874	933	-\$586	746	-187
<b>Adjusted Grand Total</b>	<b>\$6,880</b>	<b>\$6,212</b>	<b>\$5,500</b>	<b>-\$1,380</b>	<b>\$5,700</b>	<b>\$200</b>
<b>Annual % Change</b>		<b>-9.7%</b>	<b>-11.5%</b>		<b>3.6%</b>	

- The decrease in spending from fiscal 2002 through 2004 is largely due to a \$1 million reduction taken by the General Assembly in fiscal 2004. Other savings were generated through the hiring freeze, reductions in an advertising campaign, and miscellaneous operating costs.
- The fiscal 2005 deferred compensation contribution funding (\$20,910) or the State's match of up to \$600 will be withdrawn contingent upon enactment of budget reconciliation legislation.
- The allowance includes funding for two new programs in fiscal 2005. The first is the Children's Justice Grants to States' "Finding Words" program which addresses child abuse (\$331,024 in federal funds). The second is for a reimbursable fund program called the Family Violence Council, which provides coordination of private agencies and providers that offer services to victims of domestic violence (\$135,000).

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

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## ***Personnel Data***

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	<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	47.0	48.0	48.0	1	50.0	2.0
Contractual FTEs	18.0	16.0	16.0	-2	8.5	-7.5
<b>Total Personnel</b>	<b>65.0</b>	<b>64.0</b>	<b>64.0</b>	<b>-1</b>	<b>58.5</b>	<b>-5.5</b>

### ***Vacancy Data: Regular Positions***

Turnover Expectancy	1.21	2.53%
Positions Vacant as of 12/31/03	3.00	6.25%

- The number of positions in the Office for Children, Youth, and Families (OCYF) has changed only slightly since fiscal 2002. There was one contractual conversion in fiscal 2003. Also, in fiscal 2004, one full-time equivalent (FTE) position has transferred in from the Department of Health and Mental Hygiene for the School Based Health Centers Program but was offset by the loss of a position in the Governor’s Council on Adolescent Pregnancy.
- Two positions are transferring in from the Office of the Attorney General in fiscal 2005 and are supported with local law enforcement general fund grants from the Governor’s Office of Crime Control and Prevention.
- In the fiscal 2005 allowance, OCYF has reduced its reliance on contractual employees. It has converted 7.5 FTE contractual employees to regular positions by using vacancies.

## ***Analysis in Brief***

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### **Issues**

***Recommendations of the Mandel Commission:*** Among other recommendations, the Mandel Commission finds that the new structure of the organization to be much improved over the prior structure and that it should be maintained. The commission also asserts that the policymaking and coordinating function should remain within OCYF, but that the program delivery responsibilities should be moved to an operating agency.

*D14A14 – Office for Children, Youth, and Families*

**Recommended Actions**

	<b><u>Positions</u></b>
1. Add budget bill language to reduce reimbursable funds and delete 2.0 full-time equivalent regular positions for the Family Violence Council program.	2.0
<b>Total Reductions</b>	<b>2.0</b>

*D14A14 – Office for Children, Youth, and Families*

**D14A14**  
**Office for Children, Youth, and Families**

***Operating Budget Analysis***

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**Program Description**

The Governor's Office for Children, Youth, and Families (OCYF) is responsible for planning, monitoring, and coordinating services for at-risk children and their families. OCYF also supports the Subcabinet for Children, Youth, and Families. The subcabinet includes the Secretaries of the Departments of Health and Mental Hygiene (DHMH); Juvenile Services (DJS); Human Resources (DHR); Budget and Management; Housing and Community Development; Aging; Planning; the Director of the Office for Individuals with Disabilities; the Governor's Office of Crime Control and Prevention; and the State Superintendent of Schools. The Special Secretary of OCYF chairs the subcabinet. Based on the policies set forth by the subcabinet, OCYF promotes a comprehensive and coordinated interagency approach to programs emphasizing prevention, early intervention, and services based in the community. In a related role, OCYF also assists the Maryland Partnership for Children, Youth, and Families regarding budget priorities, initiatives, best practices, and policies. The partnership serves as the advisory council to the Governor in the development and achievement of policy objectives and desired outcomes for programs and services to Maryland's children and families.

While OCYF is most closely linked with the implementation of the Systems Reform Initiative (SRI), it also houses various other activities such as the Governor's Council on Adolescent Pregnancy and the Infant Mortality Commission.

Primary Managing for Results (MFR) goals include to:

- promote and support local jurisdictions in their efforts to meet the needs of their communities;
- provide support to interagency initiatives, councils, and commissions;
- implement a mechanism for locating and maximizing available resources from all sources (including federal monies and private third party reimbursement) to be used for innovative interagency funding of initiatives, and programs for children, youth, and families; and
- work with members of the subcabinet to provide training and services where gaps currently exist in the continuum of care to children and families.

**Performance Analysis: Managing for Results**

OCYF's MFR submission includes results and indicators developed by the Maryland Partnership for Children, Youth, and Families.

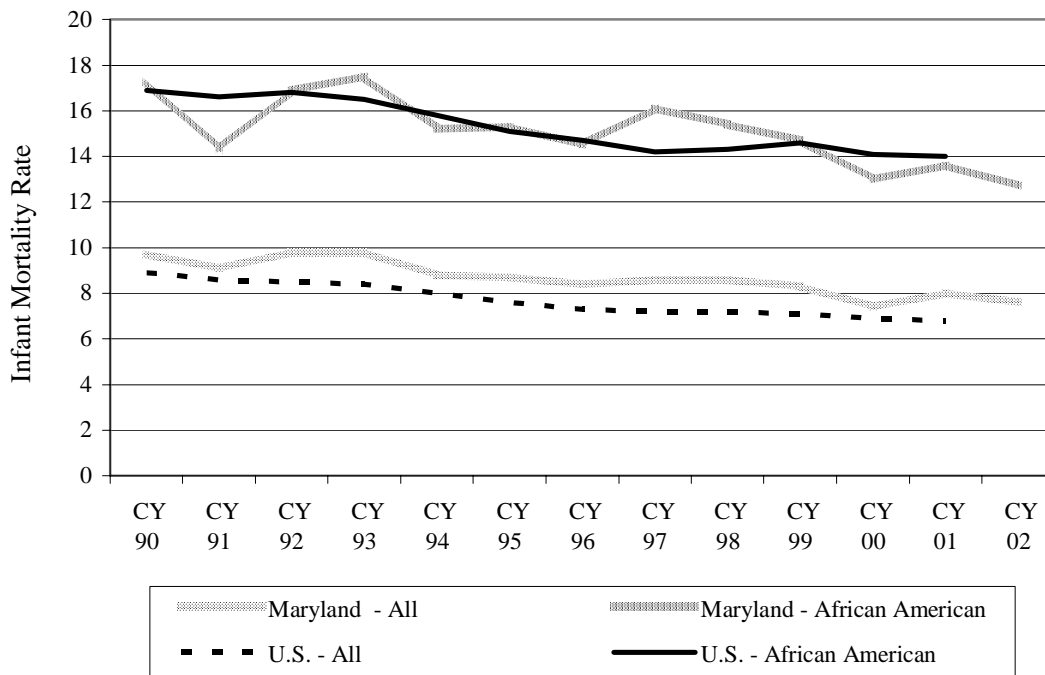
## Maryland’s Babies Will Be Born Healthy

### Infant Mortality Rate

The measures used to indicate progress on the health of Maryland’s very young children include the infant mortality rate and the percentage of low birth weight babies. **Exhibit 1** compares the infant mortality rates in Maryland, both in total and for African American babies, to the rates found in the United States. For the population as a whole, the progress in Maryland mirrors the United States experience, but the State’s rate has consistently been 0.5 to 1.4 higher than found in the United States. However, in Maryland, the number of deaths per 1,000 infants has gradually dropped from just under 10 in calendar 1990 to 7.6 in 2002. The experience of African American babies has fluctuated greatly compared with the population as a whole. From a high of 17.5 deaths per 1,000 births in 1993, the mortality rate of African American babies has improved to 12.7 in 2002, the lowest rate since 1990.

In contrast to the infant mortality experience of the general population, participants in the Healthy Family home visiting programs have experienced infant mortality rates of 1.4 in fiscal 2002 and 1.6 in fiscal 2003.

**Exhibit 1**  
**Infant Mortality Rate\***  
**Maryland and the United States**  
**Calendar 1990 through 2002**



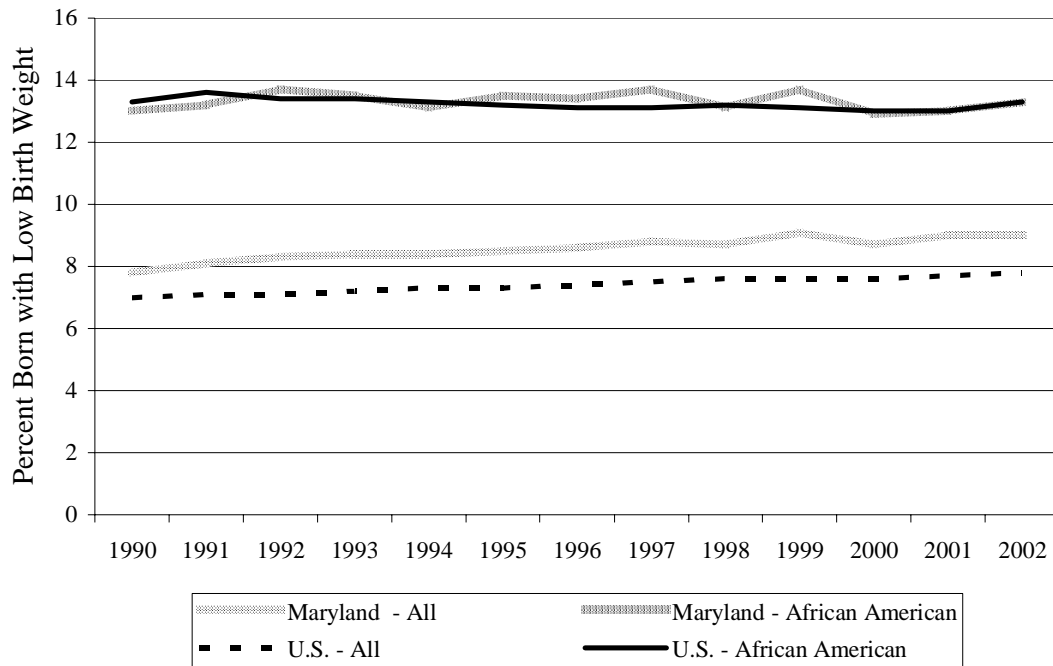
\* The rate (per 1,000 live births) of all births and births in various racial/ethnic groups who do not survive beyond year one.

Source: Office for Children, Youth, and Families.

## Low Birth Weight Babies

The experience of Maryland with low birth weight babies, demonstrated in **Exhibit 2**, compared to the United States, is very similar to that observed for infant mortality. For the general population, the progress in Maryland's experience mirrors the United States experience but has consistently been 0.8 to 1.5 percentage points higher than found in the United States. Unfortunately, the incidence of low birth weight babies is growing in both populations. In Maryland, the rate has grown from just under 8% in 1990 to 9% in 2002, while the United States rate has grown from about 7% to 7.8%. African American babies in both populations are more likely to be born with low birth weights, but the incidence has remained relatively flat at about 13% in Maryland and the United States since the early 1990s. The experience of Healthy Family visiting program participants giving birth to low birth weight babies is similar to the Maryland population as a whole, about 8% in fiscal 2002 and 10% in fiscal 2003.

**Exhibit 2**  
**Low Birth Weight\* Babies**  
**Maryland and the United States**  
**Calendar 1990 through 2002**



\*The percent of all births, births to mothers in various racial and ethnic groups with birth weights less than 2,500 grams.

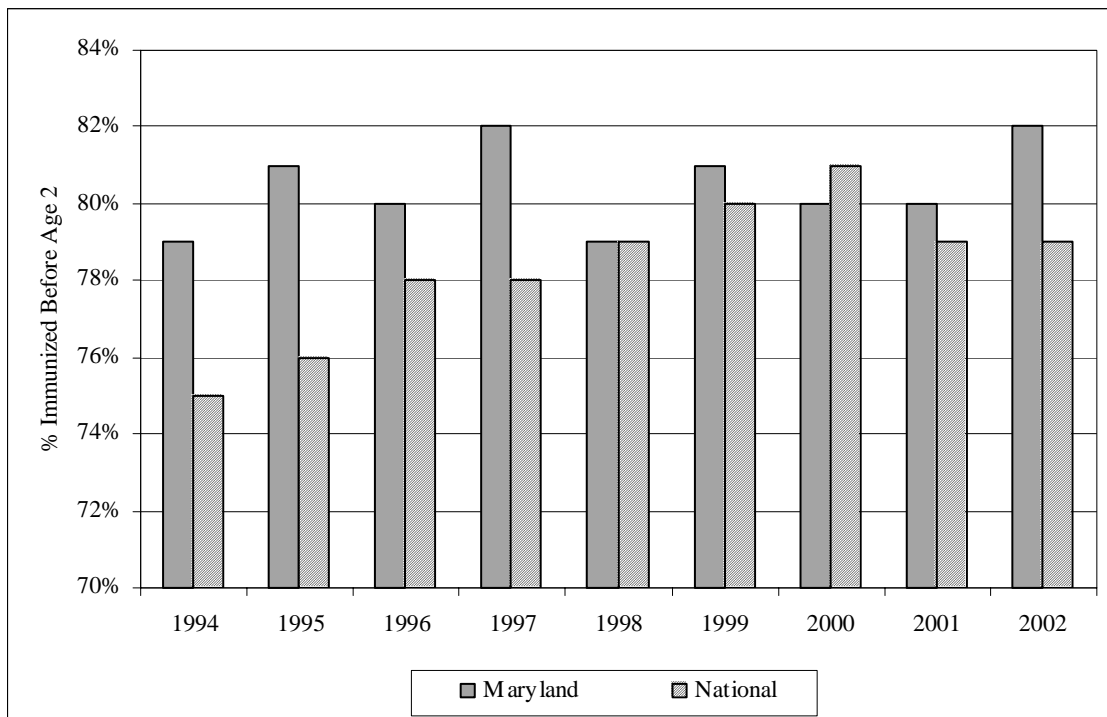
Source: Office for Children, Youth, and Families.

## Maryland's Children and Youth Will Be Healthy

### Percent of Children Immunized through Age Two

Maryland has had an impressive history of immunizing children through the age of two, demonstrated in **Exhibit 3**. In fact, between calendar 1994 and 2002, Maryland immunized between 79% and 82% of its young population, which was 1 and 5 percentage points higher than the incidence of immunizations observed nationwide, with the exception of one year's experience. In 2000, the trend reversed – Maryland dropped below the national incidence of immunization of 81%. However, in the two most recent years for which data is available, Maryland is again immunizing at a higher rate than does the rest of the country. In fiscal 2003 the incidence of 83% for Healthy Families Program participants was very similar to the fiscal 2002 experience with immunization in Maryland as a whole, while in fiscal 2002, 90% of children who were part of the Healthy Families program were immunized. **OCYF is asked to comment on the deterioration of the Healthy Families advantage for this measure.**

**Exhibit 3**  
**Percentage of Children Immunized\* through Age Two**  
**Calendar 1994 through 2002**



\*The percent of children aged 19 through 35 months who have received the full schedule of appropriate immunizations against diphtheria, tetanus, pertussis, measles, mumps, rubella, and polio. Haemophilus influenzae type B (HIB), hepatitis B, and chickenpox vaccines are also part of the basic immunization series, but coverage with these vaccines is measured separately.

Source: Office for Children, Youth, and Families

## School-based Health Centers

One way in which the State is addressing the health concerns of its young citizens is through school-based health centers. In fiscal 2003, 61 Maryland schools had these health centers to which 73,706 visits were made by children, 10,901 more than in fiscal 2002. The rate at which children used these centers, as well as the incidence of placement of these centers in schools that serve high-need populations are demonstrated in **Exhibit 4**. The incidents of use increased between fiscal 2002 and 2003, while the concentration of these centers in schools serving high-need populations has remained constant.

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### Exhibit 4 School-based Health Centers Fiscal 2000 through 2004

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>(Est.) 2004</u>	<u>(Est.) 2005</u>
Number of school-based health centers in Maryland	55	62	61	61	61	61
% of children served by school-based health centers who visited the center at least once	65%	59%	54%	64%	64%	64%
% of schools serving a high-needs population that have a school-based health center	21%	23%	26%	26%	26%	26%

\*High-needs populations are living in high poverty, low medical access areas. Examples of specific determinants include physician shortages and free or reduced priced meals.

Source: Office for Children, Youth, and Families

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## Fiscal 2004 Actions

Fiscal 2004 cost containment reduction provides for reductions in contractual services (\$121,251), which includes \$100,000 attributable to a children's advertising campaign. Additional reductions are taken in supplies, office equipment, and IT equipment.

## Governor's Proposed Budget

**Exhibit 5** shows that OCYF's budget increases by \$199,543 in fiscal 2005. Increases are concentrated in personnel and in funding received for two new programs in fiscal 2005. The first new funding source is the Children's Justice Grants to States, which provides funds to examine the investigative, administrative, and judicial handling of child abuse cases in Maryland through a program called "Finding Words." The second is for a reimbursable fund program called the Family Violence Council, formerly funded through the Governor's Office of Crime Control and Prevention (GOCCP) with a federal grant, and funded in fiscal 2005 with local law enforcement general fund grants from GOCCP. This program will provide coordination of private agencies and providers that offer services to victims of domestic violence.

**Exhibit 5**  
**Governor's Proposed Budget**  
**Office for Children, Youth, and Families**  
(\$ 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	\$4,903	\$3,964	\$4,165	\$200	5.1%
Contingent & Back of Bill Reductions	0	0	-21	-21	
<b>Adjusted General Funds</b>	<b>\$4,903</b>	<b>\$3,964</b>	<b>\$4,144</b>	<b>\$179</b>	<b>4.5%</b>
Special Funds	\$235	\$429	\$429	\$0	0.0%
Federal Funds	\$200	\$174	\$381	\$207	119.4%
Reimbursable Funds	\$874	\$933	\$746	-\$187	-20.1%
<b>Adjusted Grand Total</b>	<b>\$6,212</b>	<b>\$5,500</b>	<b>\$5,700</b>	<b>\$200</b>	<b>3.6%</b>

**Where It Goes:**

**Personnel Expenses**

Positions transferred from the Office of the Attorney General for the Family Violence Council program .....	\$135
Full year impact of fiscal 2004 reclassifications, contractual conversions, and transfers .....	50
Increments .....	49
Retirement .....	9
Employee and retiree health insurance .....	-14
Turnover adjustments .....	-33
Contractual employees converted to regular employees .....	-69
Other fringe benefit adjustments .....	10

**Other Changes**

Addition of Children's Justice Act Grant program (federal funds) .....	331
Decrease in Head Start Program (moved to MSDE) .....	-124
Decrease in funding for one-time fiscal 2004 subcabinet Home Visiting Program and Health Families Program training funds .....	-108
Decrease in contractual services for the abstinence program .....	-100
Communications .....	56
Other .....	8

**Total** **\$200**

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

## ***Issues***

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### **1. Recommendations of the Mandel Commission**

Since the current Special Secretary was appointed, the Office for Children, Youth, and Families reorganized its office into four areas, based on key functions: community collaborations; policy, initiatives, and councils; research, evaluation, and data collection; and monitoring. The Mandel Commission found that this organizational structure focuses more effectively on OCYF's coordinating function, which differentiates it from agencies that provide direct services. As such, the removal of the Healthy Families program from the subcabinet was also recommended.

In order to communicate the Governor's support for the new organizational structure of OCYF, the commission recommended that a new "Cabinet Council" be created to replace the current subcabinet. The council would consist of the same agencies as the subcabinet, but it would have the Special Secretary as its chairperson. Finally, to further its ability to coordinate the services of a number of direct service agencies, the commission recommended that the Special Secretary be included in Cabinet-level meetings. The subcabinet would then also be able to provide more input into policymaking related to children. The commission also felt that these changes would provide improved coordination, and would improve the ability of the subcabinet to make sure that there are no duplicative efforts among direct-service agencies. The commission also specifically recommended the consolidation of the Maryland Partnership for Children into the Office for Children, Youth, and Families to reduce duplicative efforts.

**The Office of Children, Youth, and Families is asked to comment on the Mandel Commission recommendations and to update the committees on any progress being made in carrying out the recommendations.**

## ***Recommended Actions***

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1. Add the following language:

Provided that authorization for reimbursable funds is reduced by \$135,000 and 2.0 full-time equivalent positions for the Family Violence Council program are deleted.

**Explanation:** These positions were formerly funded through the Office of the Attorney General with a federal grant in the Governor’s Office of Crime Control and Prevention (GOCCP), but the federal grant expired. The program was to be moved to the Office for Children, Youth, and Families in fiscal 2005 and funded as a reimbursable fund program with general funds from GOCCP. The conversion of federally funded positions to positions funded with general funds is inconsistent with the addition of positions through the current “Rule of 250,” wherein if positions are created with non-State funds, they are abolished when the funding is no longer available.

***Current and Prior Year Budgets***

**Current and Prior Year Budgets**  
**Office for Children, Youth, and Families**  
(\$ in Thousands)

	<b><u>General</u> <u>Fund</u></b>	<b><u>Special</u> <u>Fund</u></b>	<b><u>Federal</u> <u>Fund</u></b>	<b><u>Reimb.</u> <u>Fund</u></b>	<b><u>Total</u></b>
<b>Fiscal 2003</b>					
Legislative Appropriation	\$5,235	\$429	\$174	\$945	\$6,783
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	0	0	36	82	119
Cost Containment	-285	0	0	0	-285
Reversions and Cancellations	-48	-195	-10	-154	-406
<b>Actual Expenditures</b>	<b>\$4,903</b>	<b>\$235</b>	<b>\$200</b>	<b>\$874</b>	<b>\$6,212</b>
<b>Fiscal 2004</b>					
Legislative Appropriation	\$4,095	\$429	\$174	\$933	\$5,631
Cost Containment	-131	0	0	0	-131
Budget Amendments	0	0	0	0	0
<b>Working Appropriation</b>	<b>\$3,964</b>	<b>\$429</b>	<b>\$174</b>	<b>\$933</b>	<b>\$5,500</b>

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

- Fiscal 2003 cost containment includes reductions related to the impact of the hiring freeze (\$87,000), out-of-state travel (\$5,000), advertising (\$10,000), printing (\$13,000), funds for an abstinence media campaign (\$126,000), and miscellaneous contractual services (\$14,000).
- The fiscal 2004 cost containment reduction provides for reductions in contractual services (\$121,251), which includes \$100,000 attributable to a children's advertising campaign. Additional reductions are taken in supplies, office equipment, and IT equipment.

**Object/Fund Difference Report  
Office for Children, Youth, and Families**

<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>
<b>Positions</b>					
01 Regular	48.00	48.00	50.00	2.00	4.2%
02 Contractual	16.00	16.00	8.50	-7.50	-46.9%
<b>Total Positions</b>	<b>64.00</b>	<b>64.00</b>	<b>58.50</b>	<b>-5.50</b>	<b>-8.6%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 3,175,188	\$ 3,211,996	\$ 3,438,896	\$ 226,900	7.1%
02 Technical & Spec Fees	629,262	350,200	272,578	-77,622	-22.2%
03 Communication	108,719	99,380	155,873	56,493	56.8%
04 Travel	70,137	66,075	63,075	-3,000	-4.5%
07 Motor Vehicles	2,767	4,273	4,273	0	0%
08 Contractual Services	1,629,030	1,172,169	1,041,035	-131,134	-11.2%
09 Supplies & Materials	81,124	113,937	96,270	-17,667	-15.5%
10 Equip - Replacement	11,063	1,000	1,000	0	0%
11 Equip - Additional	95,695	18,500	16,500	-2,000	-10.8%
12 Grants,Subsidies,Contr	380,803	435,792	596,000	160,208	36.8%
13 Fixed Charges	27,832	26,882	35,157	8,275	30.8%
<b>Total Objects</b>	<b>\$ 6,211,620</b>	<b>\$ 5,500,204</b>	<b>\$ 5,720,657</b>	<b>\$ 220,453</b>	<b>4.0%</b>
<b>Funds</b>					
01 General Fund	\$ 4,902,547	\$ 3,964,336	\$ 4,164,662	\$ 200,326	5.1%
03 Special Fund	234,603	429,175	429,175	0	0%
05 Federal Fund	200,285	173,652	381,024	207,372	119.4%
09 Reimbursable Fund	874,185	933,041	745,796	-187,245	-20.1%
<b>Total Funds</b>	<b>\$ 6,211,620</b>	<b>\$ 5,500,204</b>	<b>\$ 5,720,657</b>	<b>\$ 220,453</b>	<b>4.0%</b>

Note: The fiscal 2004 appropriation does not include deficiencies, and the fiscal 2005 allowance does not reflect contingent reductions.

**Fiscal Summary  
Office for Children, Youth, and Families**

<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 Office for Children, Youth and Families	\$ 6,211,620	\$ 5,630,950	\$ 5,500,204	-11.5%	\$ 5,720,657	4.0%
<b>Total Expenditures</b>	<b>\$ 6,211,620</b>	<b>\$ 5,630,950</b>	<b>\$ 5,500,204</b>	<b>-11.5%</b>	<b>\$ 5,720,657</b>	<b>4.0%</b>
General Fund	\$ 4,902,547	\$ 4,095,081	\$ 3,964,336	-19.1%	\$ 4,164,662	5.1%
Special Fund	234,603	429,174	429,175	82.9%	429,175	0%
Federal Fund	200,285	173,651	173,652	-13.3%	381,024	119.4%
<b>Total Appropriations</b>	<b>\$ 5,337,435</b>	<b>\$ 4,697,909</b>	<b>\$ 4,567,163</b>	<b>-14.4%</b>	<b>\$ 4,974,861</b>	<b>8.9%</b>
Reimbursable Fund	\$ 874,185	\$ 933,041	\$ 933,041	6.7%	\$ 745,796	-20.1%
<b>Total Funds</b>	<b>\$ 6,211,620</b>	<b>\$ 5,630,950</b>	<b>\$ 5,500,204</b>	<b>-11.5%</b>	<b>\$ 5,720,657</b>	<b>4.0%</b>

Note: The fiscal 2004 appropriation does not include deficiencies, and the fiscal 2005 allowance does not reflect contingent reductions.