

**D27L00**  
**Maryland Commission on Human Relations**

***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	\$3,280	\$3,384	\$3,146	-\$134	\$3,148	\$2
Contractual Services	217	137	156	-61	68	-88
Contingent & Back of Bill Reductions	0	0	0	0	-16	-16
<b>Adjusted Grand Total</b>	<b>\$3,497</b>	<b>\$3,520</b>	<b>\$3,302</b>	<b>-\$195</b>	<b>\$3,200</b>	<b>-\$102</b>
General Funds	2,748	2,496	2,479	-269	2,485	6
Contingent & Back of Bill Reductions	0	0	0	0	-6	-6
<b>Adjusted General Funds</b>	<b>\$2,748</b>	<b>\$2,496</b>	<b>\$2,479</b>	<b>-\$269</b>	<b>\$2,479</b>	<b>\$0</b>
Federal Funds	749	1,024	823	74	731	-92
Contingent & Back of Bill Reductions	0	0	0	0	-10	-10
<b>Adjusted Federal Funds</b>	<b>\$749</b>	<b>\$1,024</b>	<b>\$823</b>	<b>\$74</b>	<b>\$721</b>	<b>-\$102</b>
<b>Adjusted Grand Total</b>	<b>\$3,497</b>	<b>\$3,520</b>	<b>\$3,302</b>	<b>-\$195</b>	<b>\$3,200</b>	<b>-\$102</b>
<b>Annual % Change</b>		<b>0.7%</b>	<b>-6.2%</b>		<b>-3.1%</b>	

- The fiscal 2005 allowance reflects a decrease of \$88,000 in contractual services, mostly due to cost containment efforts in funding engineering studies in accessibility cases and fees for administrative hearings.

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	53.5	50.5	47.5	-6.0	45.0	-2.5
Contractual FTEs	3.0	5.0	2.0	-1.0	4.0	2.0
<b>Total Personnel</b>	<b>56.5</b>	<b>55.5</b>	<b>49.5</b>	<b>-7.0</b>	<b>49.0</b>	<b>-0.5</b>

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

Turnover Expectancy	1.46	3.25%
Positions Vacant as of 12/31/03	0.00	0.00%

- The Maryland Commission on Human Relations (MCHR) lost 6 regular positions between fiscal 2002 and 2004 due to cost containment efforts.
- The fiscal 2005 allowance eliminates 2.5 regular positions due to a lack of funding.
- Two additional full-time equivalent contractual positions are added in the allowance.

## ***Analysis in Brief***

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### **Major Trends**

***Elimination of Regular Positions:*** Despite position abolitions, MCHR continues to show favorable trends in most performance measures.

### **Recommended Actions**

1. Concur with Governor's allowance.

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**Maryland Commission on Human Relations**

***Operating Budget Analysis***

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**Program Description**

The Maryland Commission on Human Relations (MCHR) is governed by a nine-member commission appointed by the Governor and confirmed by the Senate. MCHR resolves allegations of discrimination in employment, housing, and public accommodations based on race, color, creed, ancestry, religion, sex, age, sexual orientation, national origin, marital status, genetic information, and physical or mental disability. MCHR uses conciliation, mediation, investigation, and litigation to resolve complaints. MCHR also strives to improve community relations through its educational and outreach efforts. Efforts in fair employment practices and fair housing are supplemented by work sharing arrangements and contracts with the U.S. Equal Employment Opportunity Commission and the U.S. Department of Housing and Urban Development (HUD). MCHR engages in cooperative efforts with federal, State, local, and private agencies with similar interests or jurisdictional authority.

MCHR's goal is to improve equal opportunity in Maryland through the use of effective, creative, and efficient case processing activities and reduce, eliminate, or resolve instances of unlawful discrimination.

**Performance Analysis: Managing for Results**

The mission of MCHR is to ensure equal opportunity and promote better human relations for all who work in, live in, or visit Maryland. Its vision is a State free of traces of unlawful discrimination.

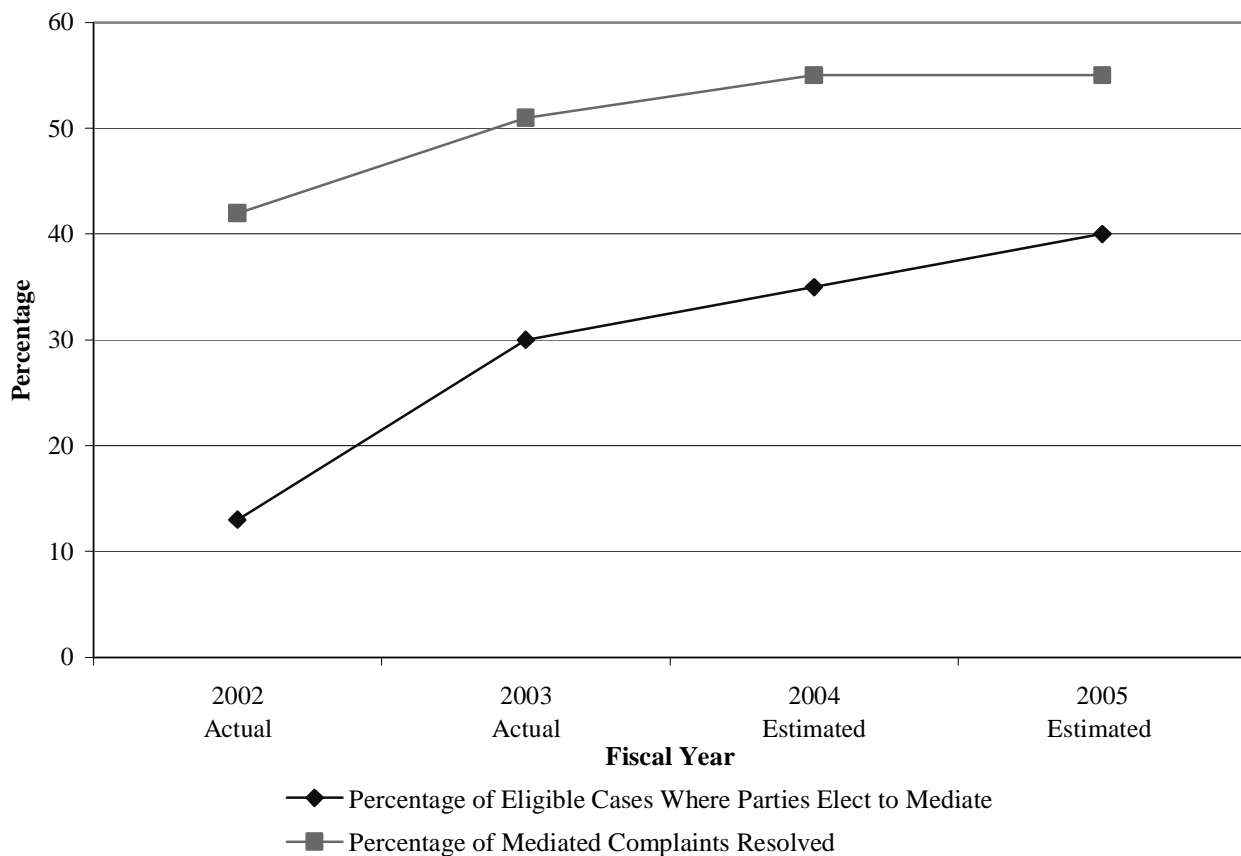
MCHR's mediation program formally began in January 2002 as an efficient and cost-effective alternative to litigation for the resolution of complaints of unlawful discrimination. MCHR recruits and trains volunteer mediators and provides this service at no cost to interested and qualified individuals. **Exhibit 1** demonstrates some positive performance data for the mediation program. **Exhibit 2** shows that the average number of days to process cases continues to decrease.

Despite the agency's recent budget and staff reductions, its performance data continue to show success in its mediation program and in its efforts to reduce the average number of days to process housing and public accommodations cases. The average number of days to process employment cases rose in fiscal 2003 due to staff reductions and the agency's efforts to close its oldest cases; however, since the oldest cases will then be closed, a favorable trend in reducing the average days to process employment cases is forecast for fiscal 2004 and 2005.

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**Exhibit 1**  
**Performance Measurement Data**  
**Maryland Commission on Human Relations**

**Objective: To Increase the Percentage of Complaints Electing the Mediation Program to at Least 35% by Fiscal 2005**

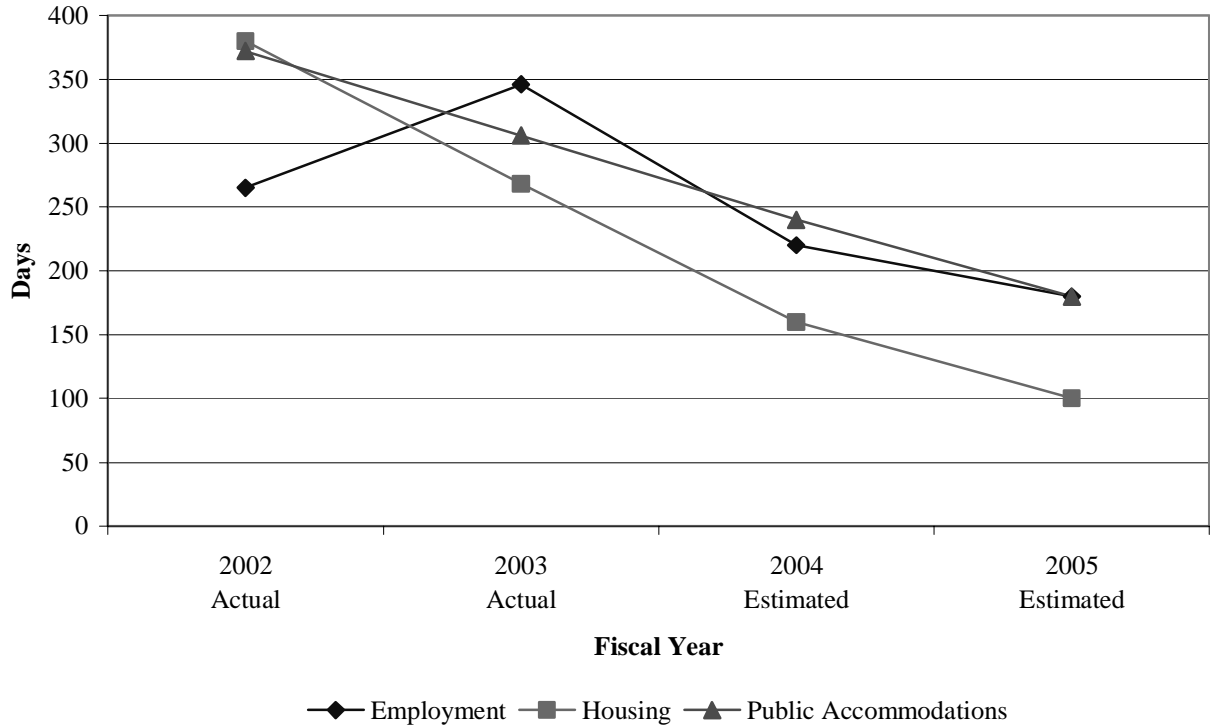


Source: Maryland Commission on Human Relations

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**Exhibit 2**  
**Program Measurement Data**  
**Maryland Commission on Human Relations**  
**Average Number of Days to Process a Case**



Source: Maryland Commission on Human Relations

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## **Fiscal 2004 Actions**

### **Impact of Cost Containment**

Fiscal 2004 cost containment accounts for the elimination of three regular positions and a \$96,000 reduction in MCHR's general funds for salaries, wages, and fringe benefits.

## **Governor's Proposed Budget**

**Exhibit 3** shows that the fiscal 2005 allowance provides for a decrease of \$102,000 from the fiscal 2004 working appropriation. The largest change results from 2.5 abolished regular positions for a decrease of \$121,000. Contractual services also decrease due to the loss of federal grant funds. Internal cost containment reduces funds for communications, supplies and materials, equipment, and travel.

### **Impact of Cost Containment**

The fiscal 2005 allowance reflects the elimination of \$15,928, the appropriation for matching employee deferred compensation contributions up to \$600, contingent upon enactment of a provision in budget reconciliation legislation.

**Exhibit 3**  
**Governor's Proposed Budget**  
**Maryland Commission for Human Relations**  
(\$ 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	\$2,496	\$2,479	\$2,485	\$6	0.3%
Contingent & Back of Bill Reductions	0	0	-6	-6	
<b>Adjusted General Funds</b>	<b>\$2,496</b>	<b>\$2,479</b>	<b>\$2,479</b>	<b>\$0</b>	<b>0.0%</b>
Federal Funds	\$1,024	\$823	\$731	-\$92	-11.2%
Contingent & Back of Bill Reductions	0	0	-10	-10	
<b>Adjusted Federal Funds</b>	<b>\$1,024</b>	<b>\$823</b>	<b>\$721</b>	<b>-\$102</b>	<b>-12.4%</b>
<b>Adjusted Grand Total</b>	<b>\$3,520</b>	<b>\$3,302</b>	<b>\$3,200</b>	<b>-\$102</b>	<b>-3.1%</b>

**Where It Goes:**

**Personnel Expenses**

Abolished/transferred positions.....	-\$121
Increments and other compensation .....	44
Employee and retiree health insurance .....	38
Turnover adjustments.....	11
Other fringe benefit adjustments .....	9

**Operating Expenses**

Two additional contractual investigator positions for HUD special projects to test housing and expedite cases .....	53
Postage and telecommunications costs decrease due to cost containment efforts .....	-10
Contractual services decreased due to loss of federal grant projects.....	-88
Supplies, materials, and equipment decrease due to cost containment efforts .....	-22
Cost containment of in-state and out-of-state travel.....	-16
<b>Total</b>	<b>-\$102</b>

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

***Recommended Actions***

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1. Concur with Governor's allowance.

## ***Current and Prior Year Budgets***

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### **Current and Prior Year Budgets Maryland Commission on Human Relations (\$ in Thousands)**

	<b><u>General Fund</u></b>	<b><u>Special Fund</u></b>	<b><u>Federal Fund</u></b>	<b><u>Reimb. Fund</u></b>	<b><u>Total</u></b>
<b>Fiscal 2003</b>					
Legislative Appropriation	\$2,524	\$0	\$555	\$0	\$3,079
Budget Amendments	0	0	485	0	485
Cost Containment	-27	0	-1	0	-28
Reversions and Cancellations	0	0	-16	0	-16
<b>Actual Expenditures</b>	<b>\$2,497</b>	<b>\$0</b>	<b>\$1,023</b>	<b>\$0</b>	<b>\$3,520</b>
<b>Fiscal 2004</b>					
Legislative Appropriation	\$2,575	\$0	\$823	\$0	\$3,398
Cost Containment	-96	0	0	0	-96
<b>Working Appropriation</b>	<b>\$2,479</b>	<b>\$0</b>	<b>\$823</b>	<b>\$0</b>	<b>\$3,302</b>

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

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### **Fiscal 2003**

During fiscal 2003, cost containment reduced the MCHR general fund appropriation by approximately \$27,000, which included savings of approximately \$2,500 in employee transit costs

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and \$24,500 in general administration. Federal funds of \$16,000 were cancelled because successful candidates were not hired for the special housing test grant and enforcement grant programs until February and May 2003, respectively. MCHR is using the cancelled money during fiscal 2004 to fund these grant programs. Budget amendments increased MCHR's federal fund appropriation by \$485,000 to reimburse the agency for expenditures related to its implementation of HUD's Fair Housing Assistance program.

**Fiscal 2004**

In fiscal 2004, cost containment reduced MCHR's appropriation by approximately \$96,000 in general funds for salaries and wages, as the Board of Public Works eliminated three regular positions during July 2003.

**Object/Fund Difference Report  
Maryland Commission on Human Relations**

<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	50.50	47.50	45.00	-2.50	-5.3%
02 Contractual	5.00	2.00	4.00	2.00	100.0%
<b>Total Positions</b>	<b>55.50</b>	<b>49.50</b>	<b>49.00</b>	<b>-0.50</b>	<b>-1.0%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 3,108,612	\$ 2,889,002	\$ 2,885,616	-\$ 3,386	-0.1%
02 Technical & Spec Fees	86,898	69,021	121,580	52,559	76.1%
03 Communication	53,009	67,939	58,411	-9,528	-14.0%
04 Travel	37,418	30,950	15,000	-15,950	-51.5%
07 Motor Vehicles	5,046	1,000	1,000	0	0%
08 Contractual Services	136,677	155,853	68,145	-87,708	-56.3%
09 Supplies & Materials	24,805	21,500	9,500	-12,000	-55.8%
10 Equip - Replacement	1,326	11,409	1,091	-10,318	-90.4%
11 Equip - Additional	4,507	1,000	0	-1,000	-100.0%
13 Fixed Charges	62,069	54,377	55,800	1,423	2.6%
<b>Total Objects</b>	<b>\$ 3,520,367</b>	<b>\$ 3,302,051</b>	<b>\$ 3,216,143</b>	<b>-\$ 85,908</b>	<b>-2.6%</b>
<b>Funds</b>					
01 General Fund	\$ 2,496,374	\$ 2,478,895	\$ 2,485,187	\$ 6,292	0.3%
05 Federal Fund	1,023,993	823,156	730,956	-92,200	-11.2%
<b>Total Funds</b>	<b>\$ 3,520,367</b>	<b>\$ 3,302,051</b>	<b>\$ 3,216,143</b>	<b>-\$ 85,908</b>	<b>-2.6%</b>

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

**Fiscal Summary  
Maryland Commission on Human Relations**

<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	\$ 3,520,367	\$ 3,398,065	\$ 3,302,051	-6.2%	\$ 3,216,143	-2.6%
<b>Total Expenditures</b>	<b>\$ 3,520,367</b>	<b>\$ 3,398,065</b>	<b>\$ 3,302,051</b>	<b>-6.2%</b>	<b>\$ 3,216,143</b>	<b>-2.6%</b>
General Fund	\$ 2,496,374	\$ 2,574,908	\$ 2,478,895	-0.7%	\$ 2,485,187	0.3%
Special Fund	0	-\$ 0	0	0.0%	0	0.0%
Federal Fund	1,023,993	823,155	823,156	-19.6%	730,956	-11.2%
<b>Total Appropriations</b>	<b>\$ 3,520,367</b>	<b>\$ 3,398,065</b>	<b>\$ 3,302,051</b>	<b>-6.2%</b>	<b>\$ 3,216,143</b>	<b>-2.6%</b>

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