

**N00C01**  
**Adult and Community Services**  
**Department of Human Resources**

***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	\$38,309	\$37,936	\$41,051	\$2,741	\$39,057	-\$1,993
Contractual Services	98,187	118,494	123,019	\$24,832	129,640	6,621
Grants	6,479	5,671	11,395	\$4,916	11,281	-114
FY 2004 Deficiencies	0	0	3,981	\$3,981	0	-3,981
Contingent & Back of Bill Reductions	0	0	0	\$0	-1,225	-1,225
<b>Adjusted Grand Total</b>	<b>\$142,975</b>	<b>\$162,101</b>	<b>\$179,446</b>	<b>\$36,471</b>	<b>\$178,754</b>	<b>-\$692</b>
General Funds	35,839	36,795	42,378	\$6,539	44,642	2,264
FY 2004 Deficiencies	0	0	2,906	\$2,906	0	-2,906
Contingent & Back of Bill Reductions	0	0	0	\$0	-159	-159
<b>Adjusted General Funds</b>	<b>\$35,839</b>	<b>\$36,795</b>	<b>\$45,284</b>	<b>\$9,445</b>	<b>\$44,484</b>	<b>-\$800</b>
Special Funds	36,763	35,118	35,003	-\$1,760	35,174	171
Contingent & Back of Bill Reductions	0	0	0	\$0	-6	-6
<b>Adjusted Special Funds</b>	<b>\$36,763</b>	<b>\$35,118</b>	<b>\$35,003</b>	<b>-\$1,760</b>	<b>\$35,167</b>	<b>\$165</b>
Federal Funds	69,904	89,888	97,709	\$27,805	99,788	2,079
FY 2004 Deficiencies	0	0	1,075	\$1,075	0	-1,075
Contingent & Back of Bill Reductions	0	0	0	\$0	-1,060	-1,060
<b>Adjusted Federal Funds</b>	<b>\$69,904</b>	<b>\$89,888</b>	<b>\$98,784</b>	<b>\$28,880</b>	<b>\$98,728</b>	<b>-\$56</b>
Reimbursable Funds	470	300	375	-\$95	375	0
<b>Adjusted Grand Total</b>	<b>\$142,975</b>	<b>\$162,101</b>	<b>\$179,446</b>	<b>\$36,471</b>	<b>\$178,754</b>	<b>-\$692</b>
<b>Annual % Change</b>		<b>13.4%</b>	<b>10.7%</b>		<b>-0.4%</b>	

- The appropriation increased by \$36 million from fiscal 2002 to 2004. \$29 million, or 81%, of this increase was in federal funds.
- The Maryland Legal Services Program received a \$3.98 million deficiency appropriation (\$2.9 million in general funds) to fund legal representation of children involved in Children in Need of Assistance (CINA) and termination of parental rights (TPR) proceedings.
- The fiscal 2005 allowance includes \$1.2 million in contingent reductions.

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	710.7	688.0	685.2	-25.5	685.2	0.0
Contractual FTEs	13.6	7.0	3.8	-9.8	3.8	0.0
<b>Total Personnel</b>	<b>724.3</b>	<b>695.0</b>	<b>689.0</b>	<b>-35.3</b>	<b>689.0</b>	<b>0.0</b>

### *Vacancy Data: Regular Positions*

Turnover Expectancy	23.98	3.50%
Positions Vacant as of 12/31/03	68.20	9.95%

- As of December 31, 2003, there are 68.2 vacant positions, 28.2 of which have been vacant for longer than 12 months.
- The turnover expectancy rate of 3.5% does not appear to accurately reflect the high number of vacant positions.
- The fiscal 2004 working appropriation includes 83.3 fewer regular positions than were authorized in the legislative appropriation. In July, the Board of Public Works eliminated 22 positions in the Community Service Administration (CSA) due to cost containment. The rest of the reductions reflect transfers to other units of the department.

## *Analysis in Brief*

---

### Issues

***Maryland Legal Services Program Still Faces Potential Deficits:*** The Maryland Legal Services Program (MLSP) has experienced funding problems in recent years. For fiscal 2004, the Governor has proposed a \$3.98 million deficiency appropriation (\$2.9 million in general funds) to fund legal representation of children involved in Child in Need of Assistance (CINA) and Termination of Parental Rights (TPR) proceedings. While the actual cost of the program increased by 10% in fiscal 2001, 18% in fiscal 2002, and 24% in fiscal 2003, the fiscal 2005 allowance only provides for a 6% increase over the fiscal 2003 actual cost of this program. At the program's current rate of cost increase and level of funding, another deficiency can be expected for fiscal 2005. **The Department of Human Resources (DHR) should comment on how it intends to continue to fund this program without continuing to face deficits.**

***Electric Universal Service Program:*** The Electric Universal Service Program (EUSP) provides energy assistance benefits to low-income households. A Performance Audit Report released in January 2004 found that the Office of Home Energy Programs (OHEP) has not adequately managed the weatherization assistance program. From December 2002 through October 2003, only 9% of a \$3.5 million contract to provide weatherization services has been spent. Unspent funds must be returned to ratepayers after June 30, 2004. Out of the 2,452 households that were to be contacted regarding weatherization services pursuant to the contract, only 704 were contacted, and only 158 received weatherization services. Additionally, one third of the program's expenditures reflect contractor servicing fees rather than the provision of services. **DHR should submit a comprehensive report detailing its plans to provide services to customers, its plans to improve upon its current administrative and weatherization practices and procedures, its plans to reduce administrative costs, and its plans to provide services prior to and subsequent to June 30, 2004.**

### Recommended Actions

	<u>Funds</u>	<u>Positions</u>
1. Add language restricting funds for administrative costs of the Electric Universal Service Program until a report on weatherization is received.		
2. Delete 27 positions that have been vacant for longer than 12 months.	\$ 1,192,077	27.0
<b>Total Reductions</b>	<b>\$ 1,192,077</b>	<b>27.0</b>

## **Updates**

***Living at Home: Maryland Community Choices Waiver Program:*** The program is still closed to new enrollees due to a cost cap, but new individuals are enrolled as slots become available. Since the program's inception, 66 individuals have transitioned from a nursing facility back into the community.

**N00C01**  
**Adult and Community Services**  
**Department of Human Resources**

## ***Operating Budget Analysis***

---

### **Program Description**

The Community Services Administration (CSA) delivers programs and services that foster independence and safety for vulnerable individuals and families in their communities. CSA works in partnership with local departments of social services and Maryland's community-based and faith-based organizations by providing leadership and resources. Key goals of CSA are:

- to ensure that individuals and families in crisis will have their needs met through emergency services;
- to ensure that individuals and families will have their safety needs met; and
- to ensure that individuals and families served by CSA achieve their maximum level of economic and personal independence.

CSA operates the following programs:

#### **Maryland Office for New Americans (MONA)**

MONA's mission is to provide services to ensure that refugees in Maryland become economically self-sufficient and to assist refugees and immigrants in their adjustment to mainstream society. MONA manages a federally funded refugee resettlement program that provides cash, medical assistance, and social services such as employment services, English language and cultural training, and support services to refugees residing in Maryland. MONA also helps legal foreign-born residents successfully complete the naturalization process. MONA's services are intended to lead to refugees' early economic independence and social adjustment.

#### **Maryland Legal Services Program (MLSP)**

MLSP's mission is to protect the legal rights and interests of the DHR's customers in legal proceedings by providing effective legal counsel. MLSP provides the legal representation for children in Child in Need of Assistance (CINA) and Termination of Parental Rights (TPR) proceedings and for disabled indigent adults in Adult Public Guardianship proceedings. MLSP contracts with legal organizations, or pays for court-appointed private attorneys if a conflict of interest exists, to provide effective legal counsel.

## **Shelter and Nutrition**

The Shelter and Nutrition Program includes departmental initiatives to provide emergency shelter, transitional housing, emergency food, housing counseling, supportive services, and related activities for homeless persons and persons at risk of becoming homeless. The program includes the following subprograms: (1) Emergency and Transitional Housing and Services Program; (2) Housing Counseling Program; (3) Service-Linked Housing Program; (4) Homeless Women-Crisis Shelter Home Program; (5) Emergency Food Assistance Program; (6) Maryland Emergency Food Program; (7) Meal Delivery to Patients with AIDS Program; (8) Statewide Nutrition Assistance Program; and (9) Homelessness Prevention Program, which is administered by CSA but budgeted through the Family Investment Administration (FIA).

## **Adult Services**

Adult Services provides services to the elderly and individuals with disabilities through the local departments of social services and community-based agencies. The Office of Personal Assistance Services administers the Living At Home: Community Choices Waiver, and the Office of Community Initiatives administers fatherhood initiatives and programs for the reduction of nonmarital births.

## **Office of Victim Services**

The mission of the Office of Victim Services is to meet the needs of victims in crisis and transition, former Temporary Assistance for Needy Families (TANF) customers, unemployed and qualifying displaced homemakers. The Office of Victim Services promotes departmental initiatives to provide an environment of greater safety for victims of crime and their families, especially for victims of domestic violence, rape, sexual assault and child abuse. It includes the following subprograms: (1) Victims of Crime Assistance Program; (2) Domestic Violence Program; (3) Rape Crisis Program; (4) Crisis Response Program (Disaster Relief); (5) Displaced Homemaker Program; (6) Project Retain; and (7) Women's Crisis Shelter Program.

## **Office of Home Energy Programs (OHEP)**

OHEP administers home energy assistance programs that provide services for low-income families who are vulnerable to the costs of higher energy consumption. These services, administered through local agencies in each State jurisdiction, include direct cash payments (benefits); indirect assistance (budget counseling, vendor arrangements, referrals); and non-cash assistance (energy heating/cooling equipment repair and replacement). OHEP administers the following:

- The Maryland Energy Assistance Program (MEAP) is funded by the federal Low-Income Home Energy Assistance Program Block Grant (LIHEAP) and provides financial assistance for home

### *N00C01 – DHR - Adult and Community Services*

energy costs for low-income citizens, crisis assistance services, furnace repair and replacements, and a utility service protection program (USPP).

- The Electric Universal Services Program (EUSP) helps low-income electric customers pay their electric bills by helping to pay past due bills (one time only), helping customers to have more affordable regular bills, and helping to obtain electric conservation treatment for customers' homes through weatherization activities. EUSP is 100% funded by special funds from monthly fees paid by electric customers.

### **Performance Analysis: Managing for Results**

CSA submitted thorough Managing for Results (MFR) information for each of its programs. Some of the pertinent data is shown in **Exhibit 1**. CSA shows steady success at achieving its objectives in its MONA, MLSP, and Shelter and Nutrition programs. However, the rates are fairly level. CSA should work on new strategies that could improve its performance data and attain its goals more effectively.

---

#### **Exhibit 1 Program Measurement Data Adult and Community Services Fiscal 2002 through 2005**

	<u>Actual</u> <u>2002</u>	<u>Est.</u> <u>2003</u>	<u>Est.</u> <u>2004</u>	<u>Est.</u> <u>2005</u>	<u>Ann.</u> <u>Chg.</u> <u>02-05</u>
MONA – % of employment caseload placed into jobs	69	73	85	85	7.2%
MONA – % of full-time placements with health benefits	92	84	87	87	-1.8%
MONA – % of English & cross-cultural training caseload that completed training	73	76	78	78	2.2%
MLSP – % of cases handled by contractual attorneys	97	98	98	98	0.3%
MLSP – % of MD jurisdictions reporting quality representation	79	81	92	92	5.2%
Shelter & Nutrition – % of households for whom eviction prevention payments were made that retain housing for three months	73	71	75	75	0.9%

Source: Community Services Administration

---

## **Fiscal 2004 Actions**

### **Proposed Deficiency**

A deficiency appropriation in the amount of \$3,981,367 (\$2.9 million of general funds) is made to CSA to supplement the fiscal 2004 appropriation for the Maryland Legal Services Program. This deficiency appropriation is necessary to provide additional funds for legal representation of children involved in CINA and TPR proceedings.

### **Impact of Cost Containment**

Cost containment approved by the Board of Public Works in July 2004 reduced the fiscal 2004 general fund appropriation by \$530,000. The reductions were made throughout CSA, but mostly in Shelter and Nutrition and Adult Services programs and administration.

## **Governor's Proposed Budget**

**Exhibit 2** demonstrates that the fiscal 2005 allowance reflects a decrease from the fiscal 2004 working appropriation of \$692,000. Personnel expenses decreased by \$2.1 million mostly because the fiscal 2004 appropriation still includes funds for positions that have been abolished or transferred to other units of the department. An additional \$618,000 in the MLSP is to accommodate increasing costs of attorneys in CINA and TPR cases. The Community Choices waiver program receives an additional \$2.1 million to enhance provider rates and because the fiscal 2004 understates program costs.

**Exhibit 2**  
**Governor's Proposed Budget**  
**DHR - Adult and Community Services**  
(\$ 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	\$36,795	\$42,378	\$44,642	\$2,264	5.3%
FY 2004 Deficiencies	0	2,906	0	-2,906	
Contingent & Back of Bill Reductions	0	0	-159	-159	
<b>Adjusted General Funds</b>	<b>\$36,795</b>	<b>\$45,284</b>	<b>\$44,484</b>	<b>-\$800</b>	<b>-1.8%</b>
Special Funds	\$35,118	\$35,003	\$35,174	\$171	0.5%
Contingent & Back of Bill Reductions	0	0	-6	-6	
<b>Adjusted Special Funds</b>	<b>\$35,118</b>	<b>\$35,003</b>	<b>\$35,167</b>	<b>\$165</b>	<b>0.5%</b>
Federal Funds	\$89,888	\$97,709	\$99,788	\$2,079	2.1%
FY 2004 Deficiencies	0	1,075	0	-1,075	
Contingent & Back of Bill Reductions	0	0	-1,060	-1,060	
<b>Adjusted Federal Funds</b>	<b>\$89,888</b>	<b>\$98,784</b>	<b>\$98,728</b>	<b>-\$56</b>	<b>-0.1%</b>
Reimbursable Funds	\$300	\$375	\$375	\$0	0.0%
<b>Adjusted Grand Total</b>	<b>\$162,101</b>	<b>\$179,446</b>	<b>\$178,754</b>	<b>-\$692</b>	<b>-0.4%</b>

**Where It Goes:**

**Personnel Expenses**

Increments .....	\$520
Employee and retiree health insurance .....	-295
Workers' compensation premium assessment .....	50
Turnover adjustments.....	378
Retirement .....	-124
Other adjustments, including reclassifications and positions that were transferred to other units of the department.....	-2,605

*N00C01 – DHR - Adult and Community Services*

**Where It Goes:**

**Provide Quality Legal Representation to Children in CINA and TPR Cases and Adults in Guardianship Cases**

Increased cost of contractual and court-appointed attorneys due to increased caseload..... 618

**Assist individuals and families achieve their maximum level of independence**

Fiscal 2004 budget understates costs of Community Choices waiver program..... 1,600

Increase in OHEP due to anticipated increase in federal Low Income Home Energy Assistance Program (LIHEAP) grant ..... 1,200

Enhancements to Community Choices waiver program, such as increased provider rates..... 450

Increase in MONA public/private partnerships, offset by decreases in program management, social services, and health screening..... 301

Reduce additional equipment needed for Attendant Care Waiver program..... -142

Reduction in Emergency Transitional Housing Services ..... -154

Reduction in contracts and grants to Young Fathers/Responsible Fathers program..... -458

Reduction in federal grant for Disaster Relief Program ..... -300

Reduction to grants in Responsible Choices Program..... -143

Reduction in Maryland Fatherhood Initiative contracts for employment, counseling, parenting, and child support services..... -250

Non-funding of Purchase of Community Home Care grants program due to cost containment efforts ..... -150

Reduction in grants for Care/Project Home Aid program ..... -328

Reduction in Nursing Facility Transitions program to transition individuals into the community..... -202

Reduction in services contracts in Respite Care program ..... -102

Decrease in rent paid to the Department of General Services due to allocation of rent costs ..... -97

Reduction in local department contracts with outside vendors..... -31

Reduction in service contracts in Domestic Violence program..... -32

Other reductions in grants and services ..... -396

**Total** **-\$692**

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

**Impact of Cost Containment**

The fiscal 2005 allowance reflects the elimination of \$270,270, the appropriation for matching employee deferred compensation contributions up to \$600, contingent upon enactment of a provision in budget reconciliation legislation. A reduction of \$953,962 is contingent upon enactment of legislation eliminating the mandated funding requirement for the Individual Development Account Program. Of this amount, \$110,692 is in general funds, and \$843,270 is in federal funds.

*Analysis of the FY 2005 Maryland Executive Budget, 2004*

## ***Issues***

---

### **1. Maryland Legal Services Program Still Faces Potential Deficits**

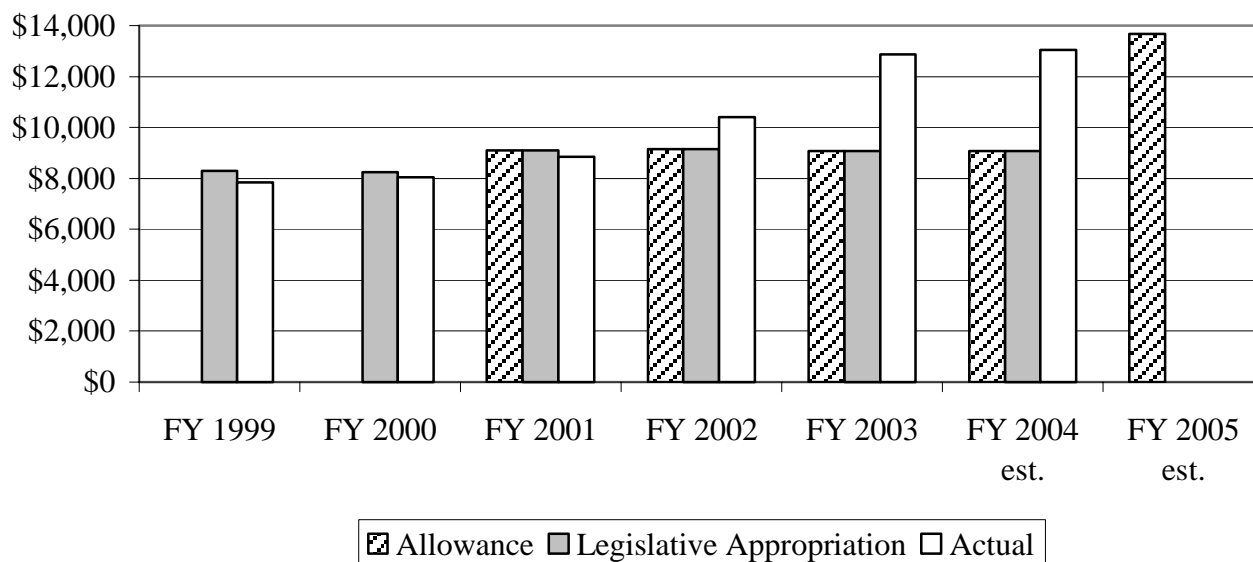
The MLSP has experienced funding shortfalls in each of the last three years (**Exhibit 3**). To resolve the fiscal 2004 shortfall, the allowance includes a \$4 million (\$2.9 million general funds) deficiency appropriation. This deficiency in fiscal 2004 is 44% of the program's total appropriation.

Revised statutory requirements for CINA and TPR cases and an inability to accurately predict the caseload contribute to the deficiency in the program. The actual cost of the program increased by 1% in 2000, 10% in 2001, 18% in 2002, and 24% in 2003. The fiscal 2005 allowance is only a 6% increase over the 2003 actual cost. At the program's current rate of cost increase and level of funding, another deficiency can be expected for fiscal 2005.

The analysis of the fiscal 2004 allowance also noted that DHR continued to estimate federal funding to be over 37% of the total appropriation for the program, while the actual federal funding for the program has been consistently below 31.5%. Despite DHR's assurance that it would take these problems into consideration, the fiscal 2005 allowance again assumes unrealistic federal funding for 35% of the program's total appropriation.

**DHR should comment on how it intends to fund this program without continuing to face deficits, given the recent double digit cost increases and the allowance increase of only 6%. DHR should also comment on why it continues to assume federal funding for the legal services program at over 35%, when actual federal funding has been consistently less than 32%.**

**Exhibit 3**  
**History of Underfunding Maryland Legal Services Program**  
 (\$ in Thousands)



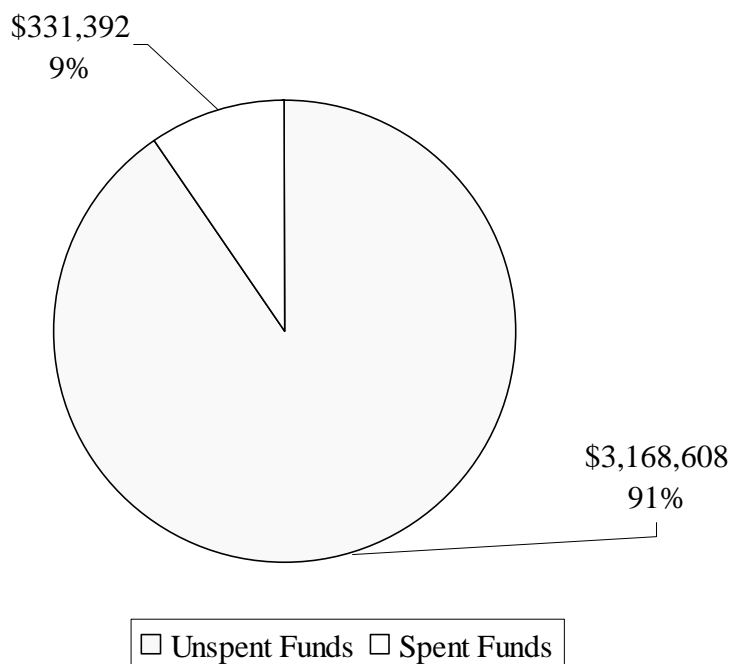
Source: Department of Budget and Management

## 2. Electric Universal Service Program

The Electric Universal Service Program (EUSP), administered by the Office of Home Energy Programs (OHEP), provides energy assistance benefits to low-income households. EUSP helps low-income electric customers pay their electric bills by helping to pay past due bills (one time only), helping customers to have more affordable regular bills, and helping to obtain electric conservation treatment for customers' homes through weatherization activities.

A Performance Audit Report was prepared by the Office of Legislative Audits (OLA) and released in January 2004. The report finds that OHEP has not adequately managed the weatherization assistance program. As shown on **Exhibit 4**, as of October 31, 2003, only \$331,392, or 9%, of the \$3.5 million authorized for the program in July 2001 had been spent. State law requires that unspent EUSP funds must be returned to electricity customers after June 30, 2004. Therefore, many of the intended recipients of this program's services may not realize any assistance.

**Exhibit 4**  
**Portion of Weatherization Contract Amount Spent Since December 2002 –**  
**Unspent Funds Return to Ratepayers after June 30, 2004**  
**100% = \$3.5 Million**

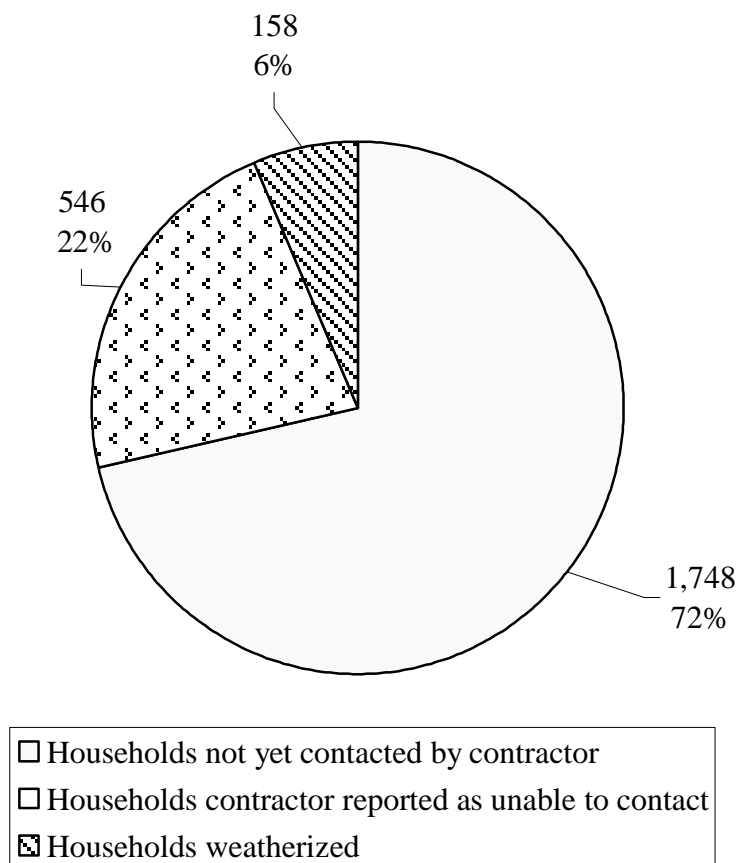


Source: Office of Legislative Audits, as of 10/31/03

---

The weatherization contract provided for an estimated 2,452 households to be contacted for weatherization services. **Exhibit 5** shows that, pursuant to the Performance Audit Report, as of October 31, 2003, only 704 households, or 28% of the contracted number, were reported contacted by the contractor, and only 158 households were weatherized.

**Exhibit 5**  
**Number of Households Served through Weatherization**  
**Contract Falls Below Contracted Amount**



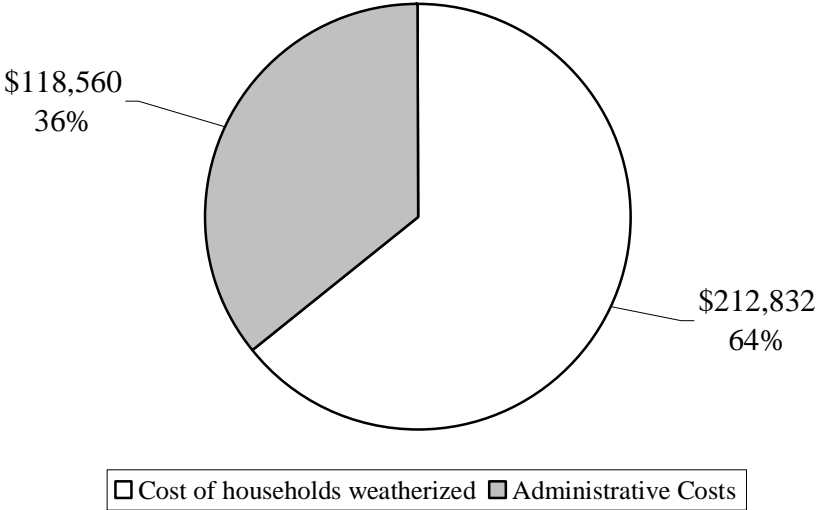
Source: Office of Legislative Audits

---

Additionally, over one third of the program's expenditures reflect contractor servicing fees rather than the provision of actual services, as shown in **Exhibit 6**. Costs to administer EUSP are capped at 10% of the total appropriation – currently \$3.4 million. A major delay in hiring the weatherization contractor was the key factor contributing to the failure to provide timely weatherization services. Given the failure of this program to satisfactorily perform its function, the 10% cap for administrative costs of the program could be excessive.

**DHR should submit a comprehensive report detailing its plans to provide weatherization services to customers and minimize administrative costs.**

**Exhibit 6**  
**Over One-third of Contract Costs Spent on Administrative Costs**



Source: Office of Legislative Audits

---

## ***Recommended Actions***

---

1. Add the following language:

, provided that \$1,000,000 of this appropriation for the administrative costs of the Electric Universal Service Program may not be expended until the Office of Home Energy Programs has prepared and submitted a report detailing its plans to provide weatherization services to customers and minimize administrative costs. The report should include specific details on how the funds will be spent.

**Explanation:** The Office of Home Energy Programs has not adequately managed the Electric Universal Service Program. From December 2002 through October 2003, only 9% of a \$3.5 million weatherization contract has been spent, and unspent funds must be returned after June 30, 2004. Only 28% of the proposed households were contacted, and one-third of the program's expenditures reflect contractor servicing fees rather than provision of services.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Report detailing plans to provide weatherization services to customers and minimize administrative costs. The report should include details on how funds will be spent.	DHR	July 1, 2004 October 1, 2004 January 1, 2005 April 1, 2005

	<b><u>Amount Reduction</u></b>	<b><u>Position Reduction</u></b>
2. Delete PINs for 27 regular positions that have been vacant for longer than 12 months. These PINs are: 048294, 206557, 070795, 206799, 206832, 023157, 058629, 062299, 062300, 075788, 075789, 075792, 207791, 060666, 206477, 074693, 075775, 080915, 080916, 080917, 204351, 204996, 205066, 205352, 211754, 211897, 078913.	\$ 474,216 GF \$ 45,859 SF \$ 672,002 FF	27.0
<b>Total Reductions</b>	<b>\$ 1,192,077</b>	<b>27.0</b>
<b>Total General Fund Reductions</b>	<b>\$ 474,216</b>	
<b>Total Special Fund Reductions</b>	<b>\$ 45,859</b>	
<b>Total Federal Fund Reductions</b>	<b>\$ 672,002</b>	

## ***Updates***

---

### **1. Living at Home: Maryland Community Choices Waiver Program**

During fiscal 2000, the Maryland Department of Health and Mental Hygiene (DHMH) was granted a Medicaid waiver by the federal government to provide home and community-based services to adults with physical disabilities who would normally require these services in a nursing facility. DHMH then entered into a memorandum of understanding with DHR whereby CSA would administer the waiver program, while DHMH remained responsible for program oversight and monitoring the quality of care provided. The waiver program allows disabled individuals that meet certain eligibility criteria to continue to live in or return to the community.

The Living at Home: Maryland Community Choices Waiver program is currently in its third year of operation; the program took time to expand to the maximum number of participants; therefore, \$1.6 million in surplus funds remained from fiscal 2002 and 2003. Specific legislation was passed requiring DHR to carry forward the surplus general funds to fiscal 2004. The corresponding amount was therefore eliminated from the appropriation in the fiscal 2004 budget. In order to raise the level of funding to the total that is needed for the program, this \$1.6 million is added into the fiscal 2005 allowance, along with an additional slight increase.

The program is prohibited from exceeding the number of federally approved waiver slots within a waiver year unless approval is given to increase the number of slots. The maximum number of slots is currently 480. The projected capability for fiscal 2003 was 400 individuals, but the program was able to serve 438. CSA estimates it will be able to serve 430 individuals during fiscal 2005. There are currently 380 enrollees in the program.

The program was closed to new enrollees in December 2002 as the limit of funding has been reached serving the enrolled individuals. New individuals are enrolled as slots become available. Since the program's inception, 66 individuals have transitioned from a nursing facility back into the community through the waiver program.

## *Current and Prior Year Budgets*

---

### Current and Prior Year Budgets Adult and Community Services (\$ in Thousands)

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
<b>Fiscal 2003</b>					
Legislative Appropriation	\$41,346	\$34,871	\$90,458	\$478	\$167,153
Budget Amendments	-3,162	358	10,473	0	7,669
Cost Containment	-1,389	0	0	0	-1,389
Reversions and Cancellations	0	-111	-11,043	-178	-11,332
<b>Actual Expenditures</b>	<b>\$36,795</b>	<b>\$35,118</b>	<b>\$89,888</b>	<b>\$300</b>	<b>\$162,101</b>
<b>Fiscal 2004</b>					
Legislative Appropriation	\$43,229	\$34,891	\$97,648	\$375	\$176,143
Cost Containment	-530	0		0	-530
Budget Amendments	-321	112	61	0	-148
<b>Working Appropriation</b>	<b>\$42,378</b>	<b>\$35,003</b>	<b>\$97,709</b>	<b>\$375</b>	<b>\$175,465</b>

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

---

### **Fiscal 2003**

Cost containment reduced DHR's CSA fiscal 2003 general fund appropriation by approximately \$1.4 million, most of which was in the Victim Services Program. At the same time, budget amendments increased the Office of Victim Services federal fund budget by \$1.7 million for

*Analysis of the FY 2005 Maryland Executive Budget, 2004*

### *N00C01 – DHR - Adult and Community Services*

contractual services. Budget amendments also reduced general funds in Adult Services by \$2.9 million, which was almost entirely in contractual services. Budget amendments increased the federal fund appropriation by approximately \$10.5 million. The Electric Universal Services Program (EUSP) budget increased by \$1.4 million; the Low Income Energy Assistance program increased by \$2.2 million; the Maryland Legal Services program budget increased by \$2.3 million due to higher costs per case than originally budgeted; and the Office of Home Energy Programs budget increased by \$3.8 million for the Maryland Energy Assistance program. Approximately \$11 million in federal funds canceled, largely in local department operations because of the under attainment of Title IV-E and Title XIX funds, and in the CSA Maryland Office of New Americans due to the drastic reduction in refugees after September 11, 2001.

### **Fiscal 2004**

Cost containment reduced DHR's CSA fiscal 2004 general fund appropriation by \$530,000, mostly in grant programs in the Adult Services and Shelter and Nutrition programs. Budget amendments reduced the general fund appropriation by \$321,000 to reflect the transfer of the commissions to the Office of the Secretary. Special funds increased by \$112,000 for fatherhood and housing services in the Adult Services program. Budget amendments also increased the federal fund appropriation by \$61,000, which is a combination of decreases to Adult Services programs for equipment, Victim Services grants, Community Services grants, supplies, materials, and travel and increases for fatherhood initiatives, housing programs, and Shelter and Nutrition programs.

**Object/Fund Difference Report  
DHR Adult and Community Services**

<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	687.98	685.23	685.23	0	0%
02 Contractual	7.00	3.80	3.80	0	0%
<b>Total Positions</b>	<b>694.98</b>	<b>689.03</b>	<b>689.03</b>	<b>0</b>	<b>0%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 34,445,763	\$ 36,986,513	\$ 35,180,494	-\$ 1,806,019	-4.9%
02 Technical & Spec Fees	370,294	192,210	206,588	14,378	7.5%
03 Communication	648,984	510,143	495,695	-14,448	-2.8%
04 Travel	339,530	286,616	304,132	17,516	6.1%
06 Fuel & Utilities	56,099	141,921	141,921	0	0%
07 Motor Vehicles	28,166	10,347	28,515	18,168	175.6%
08 Contractual Services	118,494,172	123,018,836	129,640,088	6,621,252	5.4%
09 Supplies & Materials	340,309	187,275	203,273	15,998	8.5%
10 Equip - Replacement	12,452	670	670	0	0%
11 Equip - Additional	110,516	145,618	3,541	-142,077	-97.6%
12 Grants, Subsidies, Contr.	5,671,175	11,394,829	11,280,996	-113,833	-1.0%
13 Fixed Charges	1,583,949	2,589,201	2,492,661	-96,540	-3.7%
<b>Total Objects</b>	<b>\$ 162,101,409</b>	<b>\$ 175,464,179</b>	<b>\$ 179,978,574</b>	<b>\$ 4,514,395</b>	<b>2.6%</b>
<b>Funds</b>					
01 General Fund	\$ 36,795,383	\$ 42,377,909	\$ 44,642,230	\$ 2,264,321	5.3%
03 Special Fund	35,118,115	35,002,579	35,173,519	170,940	0.5%
05 Federal Fund	89,887,911	97,708,691	99,787,825	2,079,134	2.1%
09 Reimbursable Fund	300,000	375,000	375,000	0	0%
<b>Total Funds</b>	<b>\$ 162,101,409</b>	<b>\$ 175,464,179</b>	<b>\$ 179,978,574</b>	<b>\$ 4,514,395</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  
DHR Adult and Community Services**

<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	\$ 700,589	\$ 704,462	\$ 680,395	-2.9%	\$ 625,969	-8.0%
02 Commissions	416,964	321,568	0	-100.0%	0	0%
03 Maryland Office of New Americans	3,049,704	6,564,425	6,564,425	115.2%	6,869,882	4.7%
04 Legal Services	12,865,941	9,081,981	9,071,201	-29.5%	13,691,004	50.9%
05 Shelter and Nutrition	8,262,561	8,643,292	8,603,220	4.1%	8,160,580	-5.1%
07 Adult Services	12,419,753	20,693,304	20,703,847	66.7%	20,806,692	0.5%
11 Women's Services Program	15,285,353	17,098,831	17,367,838	13.6%	16,895,417	-2.7%
12 Office of Home Energy Programs	72,259,936	69,588,195	69,588,195	-3.7%	71,010,516	2.0%
04 Adult Services	36,840,608	43,447,066	42,885,058	16.4%	41,918,514	-2.3%
<b>Total Expenditures</b>	<b>\$ 162,101,409</b>	<b>\$ 176,143,124</b>	<b>\$ 175,464,179</b>	<b>8.2%</b>	<b>\$ 179,978,574</b>	<b>2.6%</b>
General Fund	\$ 36,795,383	\$ 43,229,320	\$ 42,377,909	15.2%	\$ 44,642,230	5.3%
Special Fund	35,118,115	34,891,074	35,002,579	-0.3%	35,173,519	0.5%
Federal Fund	89,887,911	97,647,727	97,708,691	8.7%	99,787,825	2.1%
<b>Total Appropriations</b>	<b>\$ 161,801,409</b>	<b>\$ 175,768,124</b>	<b>\$ 175,089,179</b>	<b>8.2%</b>	<b>\$ 179,603,574</b>	<b>2.6%</b>
Reimbursable Fund	\$ 300,000	\$ 375,000	\$ 375,000	25.0%	\$ 375,000	0%
<b>Total Funds</b>	<b>\$ 162,101,409</b>	<b>\$ 176,143,124</b>	<b>\$ 175,464,179</b>	<b>8.2%</b>	<b>\$ 179,978,574</b>	<b>2.6%</b>

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