

D15A05
Boards, Commissions, and Offices
 Executive Department

Operating Budget Data

(\$ in Thousands)

	<u>FY 07</u> <u>Actual</u>	<u>FY 08</u> <u>Working</u>	<u>FY 09</u> <u>Allowance</u>	<u>FY 08-09</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$28,708	\$28,218	\$29,526	\$1,307	4.6%
Special Fund	1,650	2,230	2,252	22	1.0%
Federal Fund	17,220	18,210	18,485	275	1.5%
Reimbursable Fund	<u>776</u>	<u>972</u>	<u>901</u>	<u>-71</u>	<u>-7.3%</u>
Total Funds	\$48,354	\$49,631	\$51,164	\$1,533	3.1%

- A deficiency appropriation of \$350,569 for the Governor's Office of Crime Control and Prevention (GOCCP) is for services to victims and witnesses in facilitating their participation in criminal proceedings.
- The fiscal 2009 allowance increases by \$1,532,627, or 3.1%, from the fiscal 2008 working appropriation. The underlying budget change for this agency, absent health insurance and Other Post Employment Benefits which distorts year-to-year comparisons, is \$1,094,658, or 2.2%.

Personnel Data

	<u>FY 07</u> <u>Actual</u>	<u>FY 08</u> <u>Working</u>	<u>FY 09</u> <u>Allowance</u>	<u>FY 08-09</u> <u>Change</u>
Regular Positions	84.00	87.00	94.10	7.10
Contractual FTEs	<u>19.70</u>	<u>16.40</u>	<u>13.90</u>	<u>-2.50</u>
Total Personnel	103.70	103.40	108.00	4.60

Vacancy Data: Regular Positions

Turnover, Excluding New Positions	1.99	2.11%
Positions Vacant as of 12/31/07	4.00	4.60%

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

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- The Governor’s Office of Service and Volunteerism (GOSV) received 6.0 regular full-time equivalent (FTE) positions due to a transfer of the Commission on Hispanic Affairs and Commission on Asian Pacific American Affairs from the Department of Human Resources. Each commission brought 3.0 PINs.
- The State Ethics Commission abolished 2.0 contractual FTE positions, 1.5 of which were converted into regular FTEs.
- The State Labor Relations Board abolished a 0.4 regular PIN due to a reduced workload.
- The Office of Minority Affairs abolished a 0.5 FTE contractual temporary administrative support position.

Analysis in Brief

Issues

Governor’s Office on Service and Volunteerism and the Governor’s Office of Crime Control and Prevention Cited in Audit Report: Both GOSV and GOCCP were cited in an October 2007 audit report as having issues related to spending within their offices. **GOSV is asked to comment on its progress in tracking federal fund spending, and GOCCP is asked to comment on the progress it has made in working with the State’s Attorneys’ Coordinator.**

Recommended Actions

	<u>Funds</u>
1. Reduce funds for Baltimore City War Room.	\$ 286,000
Total Reductions	\$ 286,000

Updates

Governor’s Office of Community Initiatives Response to 2007 Joint Chairmen’s Report Request: The 2007 *Joint Chairmen’s Report* (JCR) requested the Governor’s Office of Community Initiatives (GOCI) outline its work since 2004 and discuss the Administration’s plans for the office. Having had its mission and purview expanded by executive order in September 2007, GOCI continues to be an information center for volunteer opportunities. The Administration expanded the office’s focus to include ethnic populations with the transfer of the Commission on Hispanic Affairs as well as Asian Pacific Americans Affairs into the office and the creation of the Commission on Middle Eastern American Affairs.

Governor’s Office of Crime Control and Prevention’s New Performance Measures: The 2007 JCR requested GOCCP create performance measures to better track the success of grants in achieving their objectives. New measures include grantees who provide direct services and web resources used to improve data accessibility.

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Boards, Commissions, and Offices
Executive Department

Operating Budget Analysis

Program Description

The Boards, Commissions, and Offices unit of the executive department contains various boards, commissions, and offices created by statute or executive order to provide planning and coordination for the executive branch functions or to investigate and make recommendations on problems affecting the Administration and welfare of the State.

The unit includes Survey Commissions, the Office of Minority Affairs (OMA), Governor's Office on Service and Volunteerism (GOSV), Governor's Office of Community Initiatives, State Ethics Commission, Health Care Alternative Dispute Resolution Office, Governor's Office of Crime Control and Prevention (GOCCP), Volunteer Maryland, the State Commission on Criminal Sentencing Policy, Criminal Justice Coordinating Council, the Governor's Grants Office, and the State Labor Relations Board (SLRB).

Performance Analysis: Managing for Results

Selections from the Office of Minority Affairs and the State Ethics Commission program measurement data is presented in **Exhibit 1**.

Exhibit 1
Program Measurement Data
Office of Minority Affairs and State Ethics Commission
Boards, Commissions, and Offices

	<u>Actual</u> <u>2005</u>	<u>Actual</u> <u>2006</u>	<u>Actual</u> <u>2007</u>	<u>Est.</u> <u>2008</u>	<u>Est.</u> <u>2009</u>	<u>Ann.</u> <u>Chg.</u> <u>05-07</u>	<u>Ann.</u> <u>Chg.</u> <u>07-09</u>
Office of Minority Affairs							
MBE participants at events	1,050	1,511	1,700	1,800	2,000	27.2%	8.5%
State agencies reporting accurate payment data	30	80	56	70	70	36.6%	11.8%
State agencies using OMA developed data collection tools	68	80	69	70	70	0.7%	0.7%
State Ethics Commission							
Individuals required to file financial disclosure forms	11,867	12,187	12,827	12,500	12,750	4.0%	-0.3%
Percent filed electronically	58%	67%	71%	75%	80%	10.6%	6.1%
Lobbyist activity reports filed	4,773	4,835	4,841	4,900	5,100	0.7%	2.6%
Lobbyists receiving mandated training	181	237	155	200	250	-7.5%	27.0%
Officials receiving mandated training	1,984	739	1,137	750	775	-24.3%	-17.4%

MBE: Minority Business Enterprises
OMA: Office of Minority Affairs

Source: Governor’s Budget Books, Fiscal 2009

Office of Minority Affairs

OMA oversees a number of programs, including those with minority business enterprises (MBEs). Participation of MBEs at OMA-sponsored conferences continues to see growth. These meetings provide participants with information necessary to gain access to capital, procurements, and technical assistance. The drop in the number of agencies reporting accurate payment data in fiscal 2007 was due to administrative consolidation of certain reporting units. Agencies must submit this data so that compliance with MBE requirements can be tracked. The same is true for the drop in agencies using OMA data collection tools. The office expects the numbers for both these measures to rebound to 70 in fiscal 2008 and continue at that level for 2009.

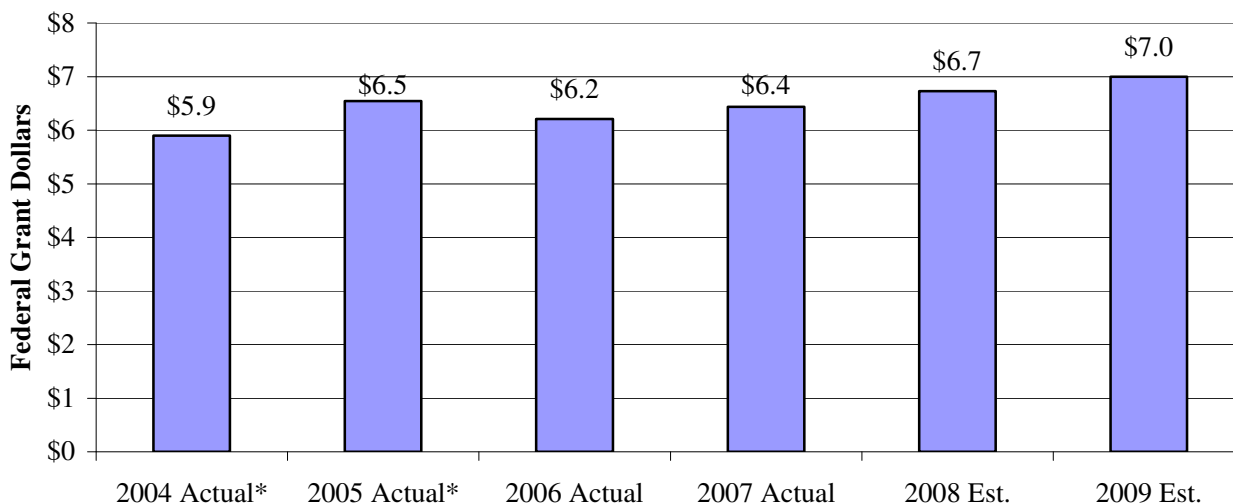
State Ethics Commission

The State Ethics Commission is charged with administering the Public Ethics Law. New public officials must take two hours of ethics training, and continued training is required for lobbyists. The data shows that the commission continues to train numerous individuals. The high number of officials receiving training in fiscal 2005 was due to newly identified positions within the State Highway Administration requiring training. The average number of officials requiring training is between 700 and 900. Legislation enacted in 1999 requires that there be on-line filing of financial disclosure forms and lobbyist reports, and 71% of those required to report to the commission did so via the Internet in fiscal 2007. By 2009, the commission expects 80% of such reports to be filed electronically.

Governor’s Grants Office

The mission of the Governor’s Grants Office is, in part, to help the State meet its policy priorities by measuring and increasing the flow of federal funds coming into Maryland. The office also provides training in grants management for State agencies, local governments, and nonprofits. As shown in **Exhibit 2**, federal funds coming into the State appear to have fallen from \$6.5 billion in fiscal 2005 to \$6.2 billion in fiscal 2006. The apparent drop was due to an error in calculating the value of federal grants within the Maryland Department of Transportation (MDOT). MDOT had been including State dollars in its federal column, an error corrected for fiscal 2006. From fiscal 2006 onward, federal dollars are expected to rise incrementally at a rate of 4%, to \$7.0 billion in fiscal 2009.

Exhibit 2
Federal Grant Dollars Received by State
(**\$ in Billions**)



* Data includes miscounted Maryland Department of Transportation figures.

Source: Governor’s Budget Books, Fiscal 2007-2009

Governor’s Office of Crime Control and Prevention

GOCCP serves as a pass-through office for State and federal grants in the criminal justice field. Toward that end, its performance measures focus mainly on its function as an effective administrator and overseer. In moving toward efficiency, GOCCP has been switching to electronic submission of applications and reporting. Use of electronic submission has been popular with the fiscal 2007 actual at 99% and estimated to remain so through fiscal 2009.

Other performance measures are not as easy to gauge, however. It is difficult to track progress for most goals due to the lack of quantified objectives against which to measure performance. For example, the office would like to effectively administer grant funds with an appropriate ratio of grants to grant monitors. The ratio fell from 29:1 to 26:1 from fiscal 2005 to 2006, although it has increased to 31:1 in 2007. The office is predicting that it will grow to 33:1 in fiscal 2009. Omitted from its Managing for Results submission is its goal ratio, so the reader is left to guess what an ideal ratio of grants to administrators would be. GOCCP believes for most objectives, setting concrete goals is difficult due to the unpredictable nature of grant awards. In this example, the number of monitors is related to PINs and personnel decisions, so the office believes setting a goal is less important than the number of grants received from one year to another. **Nevertheless, as the office reports quantitative data, it should include quantitative goals against which progress can be measured.**

GOCCP also does not report any data on the effectiveness of its grants in crime control and prevention. The 2007 *Joint Chairmen’s Report* (JCR) requested the office use data from progress reports that grantees submit to create performance measures on the number of grantees that meet the crime control or community safety goals outlined in their grant applications. GOCCP created several new measures for fiscal 2009 as described in the second update of this analysis. Although the new measures appear to track the activity of grantees, they shed no light on the effectiveness of the programs. **The office should brief the committees on efforts to measure the results and outcomes of grant programs overseen by the office.**

Fiscal 2008 Actions

Proposed Deficiency

The Governor’s allowance includes a \$350,590 special fund deficiency appropriation to GOCCP for the Victims and Witness Protection and Relocation Fund. The money increases the fiscal 2008 working appropriation to \$600,000 and will be used to enhance services for victims and witnesses to participate in criminal proceedings by covering protection, transportation, and lodging for victims and witnesses at court proceedings, as well as other services.

Impact of Cost Containment

A Board of Public Works cost containment measure reduced the agency’s budget by \$100,000. The reductions came from the following units.

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- Survey Commissions: \$50,000 from money that would otherwise have funded new commissions in the event they were formed.
- Office of Minority Affairs (\$13,000), GOSV (\$5,000), State Ethics Commission (\$5,000), GOCCP (\$25,000), and the State Labor Relations Board (\$2,000) adjusted their turnover in the noted amounts. The resulting effect is that any vacancies that occur may have to be held open longer.

Governor’s Proposed Budget

As shown in **Exhibit 3**, the fiscal 2009 allowance amounts to \$51,163,568, an increase of \$1,532,627 over the fiscal 2008 working appropriation. However, when adjusting for Other Post Employment Benefits (OPEB) and healthcare costs which distort year-to-year comparisons, the underlying fiscal 2009 budget change for this agency is \$1,094,658, or 2.2%.

The majority of the increase comes from GOSV and GOCCP. GOSV received a total of 6.0 full-time equivalent PINs from the Department of Human Resources, split evenly between the Commission on Hispanic Affairs and Commission on Asian Pacific American Affairs. The two commissions account for \$435,244 in salaries, health insurance and OPEB costs, and \$36,463 in program costs.

The largest budget within Boards, Commissions, and Offices belongs to GOCCP and is the other large change, which totals \$39.9 million in the Governor’s allowance and grows overall by \$880,240, or 2.3%. Its operating budget, apart from health care, OPEB, and the grants it administers, grows by 9.8%, or \$454,167. This office is primarily responsible for administering State and federal criminal justice grants. **Exhibits 4** and **5** outline the changes in grant amounts for fiscal 2009.

GOCCP’s general fund grants grow by \$311,000 in fiscal 2009 over the 2008 working appropriation. They are still less than the fiscal 2007 actual, however. Over the past several years, federal funds had been falling as general funds were rising. The decline in 2008 was largely due to a large part of the Youth Strategies Program grant being diverted to the Governor’s Children’s Cabinet. Replacing federal funds is also the cause of the only notable change in State grant totals, an increase of \$286,000 to Baltimore City’s War Room. The War Room is an office focusing on violent offenders who have been paroled or on probation to minimize their risk to public safety. It was funded in part from a variety of federal fund balances left over in GOCCP’s budget, which are no longer available. This need for general funds demonstrates the inherent risk of relying on one-time or short-term federal funds for a program that is expected to be continued indefinitely.

Two departmental bills have been submitted that affect the State Aid for Police Protection Fund (\$66.4 million) and School Bus Safety (\$599,973) grants in fiscal 2009. Currently administered by the Department of State Police, the bills would transfer their administration to GOCCP. The fiscal note relating to the Police Protection Fund transfer projects GOCCP’s general fund expenditure would increase \$51,200 for an additional 1.0 FTE contractual position to administer the fund.

Exhibit 3
Governor’s Proposed Budget
Boards, Commissions, and Offices
(\$ in Thousands)

How Much It Grows:	General Fund	Special Fund	Federal Fund	Reimb. Fund	Total
2008 Working Appropriation	\$28,218	\$2,230	\$18,210	\$972	\$49,631
2009 Governor’s Allowance	<u>29,526</u>	<u>2,252</u>	<u>18,485</u>	<u>901</u>	<u>51,164</u>
Amount Change	\$1,307	\$22	\$275	-\$71	\$1,533
Percent Change	4.6%	1.0%	1.5%	-7.3%	3.1%

Where It Goes:

Personnel Expenses

Increments and other compensation.....	\$367
Other Post Employment Benefits.....	281
Employee and retiree health insurance	144
New positions ¹	141
One-time hiring freeze savings	40
Turnover adjustments	8
Abolished/transferred positions	-99

Governor’s Office of Minority Affairs

Garage rent.....	14
Advertising.....	5
Postage and telephone.....	3
Contractual employee turnover.....	1
Payroll reductions from abolished contractual positions	-27

Governor’s Office of Service and Volunteerism

Department of Justice indirect expense transfer rate adjustment.....	27
AmeriCorps grant projection adjustment.....	-31
Miscellaneous contracts to align with fiscal 2007 actual.....	-32

State Commission on Criminal Sentencing

Pay increase for long-term contractual positions.....	17
Contractual employee turnover.....	4

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Where It Goes:

State Ethics Commission

Rent paid to the Department of General Services.....	98
Software upgrades.....	-20
Payroll reductions from abolished contractual positions	-46

Governor’s Office of Crime Control and Prevention

War Room funding to replace lost federal funds	286
University of Baltimore contract for web site development and maintenance	45
Development of grant management system.....	31
Software upgrades and licenses	29
Maryland Victims of Crime Fund coordination services.....	28
Increase in National Victim Notification Network Contract	25
Office equipment	24
Pay increase for long-term contractual positions.....	20
Association dues	16
Gang violence intervention support.....	15
In-state travel to align with fiscal 2007 actual	15
Staff training	13
Rent.....	10
Telephone to align with fiscal 2007 actual	9
Contractual employee turnover.....	4
Food services	4
Other	30

Other Changes	33
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Total	\$1,533
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¹ Does not include 6.0 full-time equivalent positions transferred from the Department of Human Resources to the Governor’s Office of Service and Volunteerism.

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

Exhibit 4
Governor’s Office of Crime Control and Prevention
General and Special Fund Grants

<u>Grant Program State Funds</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY2008</u>	<u>FY 2009</u>	<u>Increase FY 08-09</u>
Baltimore City Foot Patrol	\$2,700,000	\$2,800,000	\$2,800,000	\$2,800,000	\$0
Prince George’s County Drug Grant	1,662,500	1,662,500	1,662,500	1,662,500	0
Baltimore City Community Policing	1,900,000	2,000,000	2,000,000	2,000,000	0
Body Armor for Local Law Enforcement	50,000	50,000	50,000	50,000	0
Baltimore City Violent Crime Control	2,019,587	2,500,000	2,500,000	2,500,000	0
Prince George’s County Violent Crime Control	2,341,858	2,341,858	2,341,858	2,341,858	0
STOP Gun Violence	955,500	952,805	955,500	955,500	0
Baltimore City Criminal Justice Coordinating Council	85,500	85,500	85,500	85,500	0
Gun Trafficking Unit – Attorney General	199,258	210,000	-	-	0
Community Service Grant	654,813	651,405	673,942	673,942	0
Sex Offender Compliance and Enforcement		850,000	850,000	850,000	0
ROPER Academy		159,000	159,000	159,000	0
War Room Baltimore City	717,446	729,982	729,982	1,015,982	286,000
Victim Instant Notification Everyday (VINE) Contract Statewide Maryland	415,723	431,000	431,000	456,000	25,000
Youth Strategies Program Initiative	1,100,000	1,100,000	340,000	340,000	0
Collaborative Supervision and Focused Enforcement	3,000,000	3,300,000	3,300,000	3,300,000	0
Domestic Violence Unit Pilot Program	200,000	200,000	200,000	200,000	0
Baltimore City State’s Attorney – Prosecution of Gun Crimes and Violent Offenders	1,835,000	1,985,000	1,985,000	1,985,000	0
State’s Attorney’s Coordinating Council	*	75,000	225,000	225,000	0
GOCCP General Fund Grants	\$19,837,185	\$22,084,050	\$21,289,282	\$21,600,282	\$311,000
Victims of Crime Fund	\$950,000	\$925,085	\$1,312,884	\$1,298,926	-\$13,958
Victim/Witness Protection Program	250,000	300,000	249,431	300,000	50,569
Subtotal Special Fund Grants	\$1,200,000	\$1,225,085	\$1,562,315	\$1,598,926	\$36,611
Total State Fund Grants	\$21,037,185	\$23,309,135	\$22,851,597	\$23,199,208	\$347,611

GOCCP: Governor’s Office of Crime Control and Prevention

*Funding formerly included in the Office of the Attorney General.

Source: Governor’s Office of Crime Control and Prevention

Exhibit 5
Governor’s Office of Crime Control and Prevention
Federal Fund Grants

<u>Federal Grant Program</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>Allowance FY 2009</u>	<u>Increase FY 08-09</u>
Juvenile Justice Delinquency Prevention Formula Grants	\$906,576	\$802,702	\$1,104,250	\$1,098,000	-\$6,250
Title V	207,312	101,156	75,250	75,250	0
State Justice Statistics Program for Statistical Analysis Center	0	0	55,239	55,239	0
State Challenge	75,814	0	0	0	0
Juvenile Accountability Block Grant	677,526	998,360	756,700	756,700	0
Childrens Justice Act	65,620	301,543	335,000	330,973	-4,027
Violence Against Women Grants	2,056,244	2,344,222	2,292,766	2,043,111	-249,655
State Victim Assistant Academy	60,000	0	0	0	0
Paul Coverdale National Forensic Lab	221,570	102,085	173,382	199,062	25,680
Grants to Encourage Arrest Policy	110,888	445,737	420,200	750,000	329,800
Drug Law Enforcement and System Improvement Grant (Byrne)	4,505,271	0	0	0	0
Local Law Enforcement Block Grant	284,233	36,379	0	0	0
Residential Substance Abuse Treatment Grant	1,183,721	1,112,852	171,164	159,998	-11,166
Violent Offenders Truth in Sentencing	4,050,598	379,469	0	0	0
Bullet Proof Vest	20,993	24,051	8,500	8,500	0
Underage Drinking Block Grant	199,500	237,978	350,000	350,000	0
Byrne-Justice Assistance Grants	7,104,375	5,681,080	6,499,053	6,499,053	0
Safe and Drug Free Schools	1,351,946	954,324	0	0	0
Consolidated Knowledge Development Program	31,722	0	0	0	0
Project Safe Neighborhood	0	10,881	157,697	342,182	184,485
Anti-Gang Initiative	0	60,831	541,747	692,108	150,361
Total Federal Grants	\$23,113,909	\$13,593,650	\$12,940,948	\$13,360,176	\$419,228

Source: Governor’s Office of Crime Control and Prevention

Of federal grants, the fiscal 2009 allowance is an increase from the working appropriation, reversing a trend since fiscal 2003 of year-over-year declines in federal grant income. Although slightly lower than the fiscal 2007 actual, the allowance is 3.2% higher than the fiscal 2008 working appropriation. Most grants are level funded in the allowance.

The allowance includes a new grant not previously received by GOCCP, the State Justice Statistics Program for Statistical Analysis Centers. It first received funding by budget amendment in fiscal 2008 at \$55,239 and remains at that level in fiscal 2009. This grant is used to support the creation of statistical analysis centers to collect, analyze, and report criminal justice statistics.

Issues

1. Governor’s Office on Service and Volunteerism and the Governor’s Office of Crime Control and Prevention Cited in Audit Report

Both GOSV and GOCCP were cited in an October 2007 Office of Legislative Audits (OLA) report with issues related to spending within their offices. Both offices had problems tracking federal funds, although GOCCP was additionally cited as having inadequate monitoring of grants made under the Victim and Witness Protection and Relocation Program.

Governor’s Office of Service and Volunteerism

GOSV was found to not routinely reconcile federal fund activity in its tracking system with the State’s own accounting system. Moreover, when reconciliations were done, supervisory review was not documented. As such, those reconciliations lacked assurance they were properly performed and reviewed. In response, GOSV claimed that supervisory review was completed in all reconciliations, but the office failed to keep records showing it. It also agreed to implement a monthly reconciliation of funds with supervisory review. In fiscal 2007, GOSV spent \$3.6 million in federal funds. **GOSV is asked to comment on its progress in tracking federal fund spending.**

Governor’s Office of Crime Control and Prevention

In GOCCP, time allocation sheets were not always available or signed by the appropriate supervisor. These are needed to ensure personnel costs are properly allocated to the various federal programs the office administers. In response, GOCCP agreed that all time allocation documents and employee time sheets would be properly reviewed and maintained for future reference. However, the office explained that at the time of the audit, it had recently implemented a new time and attendance database, and the tracking problems were due to the time required to learn the new system. Subsequently, the federal funding agency is now recommending other states implement GOCCP’s methodology for monitoring staff time allocations. Fiscal 2007 federal fund spending amounted to \$13.6 million within this office.

GOCCP’s second audit finding, repeated from a previous audit, was related to the use of funds in the Victim and Witness Protection and Relocation Program. OLA found expenditures made under that program had no assurance they were approved by the State’s Attorneys’ Coordinator, consistent with the mission of the program, or made in the authorized amount. While the State’s Attorneys’ Coordinator administers the program, the funds are budgeted through GOCCP, and the office is charged with seeing that spending is appropriate, according to an opinion from the Office of the Attorney General. Following that opinion, GOCCP and the State’s Attorneys’ Coordinator resolved to enter into an agreement where GOCCP ensures payments were approved, focused on the program’s mission, and made in the correct amounts. Activity reports would also become routine, but at the time of the audit the details were not yet determined.

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Consequently, the State’s Attorneys’ Coordinator has agreed to submit to GOCCP a quarterly summary report, detailing the distribution of funds by jurisdiction. The coordinator will also certify approval of funds as used and that they were spent in accordance with the purposes of the program. **GOCCP is asked to comment on the progress it has made in working with the State’s Attorney’s Coordinator.**

Recommended Actions

	<u>Amount Reduction</u>	
1. Reduce the Baltimore City War Room general fund grant within the Governor’s Office of Crime Control and Prevention in order to moderate budget growth. This reduction will maintain funding at the 2008 level of \$729,982.	\$ 286,000	GF
Total General Fund Reductions	\$ 286,000	

Updates

1. Governor’s Office of Community Initiatives Response to 2007 Joint Chairmen’s Report Request

In the 2007 JCR, the Governor’s Office of Community Initiatives (GOCI) was asked to outline its work since 2004, when its mission was revised under Executive Order 01.01.2004.57, and discuss the Administration’s plans for the office. Seeking to encourage civic participation by individuals, businesses, municipalities, and community organizations, GOCI is the statewide coordinator for community service programs and volunteer activities. It handles the State’s grants to AmeriCorps as well as other national service programs.

Since 2004, GOCI has reported working with over 450 organizations and agencies with output valued at \$2.8 million. The office has also held workshops throughout the State for community and faith-based organizations with little experience or past success in obtaining grants and resources from State or federal departments. The Administration’s plans as outlined in the JCR response were:

- to expand the State’s AmeriCorps participation;
- to expand cultural and ethnic outreach; and
- to encourage senior citizens into civic engagement.

After the 2007 JCR response was written, the Administration issued Executive Order 01.01.2007.18, which rescinds and replaces the 2004 order. The main difference between the two is the connection to faith-based initiatives. In the 2004 order, they were mentioned twice, including a specific mention of GOCI being the State’s principal liaison to the White House Office of Faith-Based and Community Initiatives. In the 2007 executive order, the role of faith-based organizations is minimized, mentioned only once where it designates GOCI as the principal liaison to that community.

While the new executive order downplays the importance of faith-based initiatives, it adds emphasis to cultural and ethnic communities, including them as a focus of GOCI. The Governor’s Commission on Hispanic Affairs and the Governor’s Commission on Asian Pacific Islanders were transferred to the Governor’s Office of Service and Volunteerism (GOSV), a unit of GOCI to act as the State’s community service resource. Additionally, Executive Order 01.01.2007.22 created the Governor’s Office on Middle Eastern American Affairs. This new effort is also reflected on GOSV’s current Managing for Results submission, where cultural and ethnically focused literature and community events are tracked for the first time.

2. Governor’s Office of Crime Control and Prevention’s New Performance Measures

In a 2007 JCR information request, GOCCP was asked to include additional data in the agency’s Managing for Results submission to more accurately reflect the office’s work. In response, GOCCP created four new performance measures. They are:

- to train State and local law enforcement and criminal justice agencies in the reduction of crime and improve officer safety. The measure tracks the number of grantees providing this training. In 2007, 28 were doing so;
- to become a center of knowledge for improving resource efficiency. The office will use the Maryland Statistical Analysis Center (MdSAT) to analyze and identify best practices in public safety. This measure tracks the number of MdSAT projects funded, and GOCCP expects to have six in 2008, although there were none in 2007;
- to improve data accessibility by creating an on-line directory and developing geographic information systems capabilities. This measure tracks the number of implemented web resources toward that end. In 2007, there was one web resource implemented, although in 2008 and 2009, GOCCP expects to have five and six, respectively; and
- to assist local jurisdictions in reducing and preventing juvenile substance abuse and delinquency. The number of grantees that provide targeted, direct services to youth and families is tracked by this measure. This rate was 100% in fiscal 2007, and it is expected to remain at that level though fiscal 2009.

Current and Prior Year Budgets

Current and Prior Year Budgets Boards, Commissions, and Offices (\$ in Thousands)

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2007					
Legislative Appropriation	\$28,661	\$1,988	\$19,626	\$627	\$50,901
Deficiency Appropriation	28	0	0	0	28
Budget Amendments	141	12	0	375	528
Reversions and Cancellations	-121	-350	-2,406	-225	-3,102
Actual Expenditures	\$28,708	\$1,650	\$17,220	\$776	\$48,354
Fiscal 2008					
Legislative Appropriation	\$28,225	\$2,042	\$15,863	\$952	\$47,083
Cost Containment	-100	0	0	0	-100
Budget Amendments	94	188	2,347	20	2,648
Working Appropriation	\$28,218	\$2,230	\$18,210	\$972	\$49,631

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

Fiscal 2007

The legislative appropriation of \$28,660,727 was supplemented with a deficiency appropriation of \$28,000 in general funds. The money was added to provide funds for a leave payout due to the retirement of the State Ethics Commission's executive director.

Several budget amendments affected the general fund appropriation during the year. The first was a cost-of-living adjustment (COLA) at \$83,401. It was further increased by \$83,000 when the Executive Department realigned its budget. The general fund budget was reduced slightly, by \$975 to the Office of Minority Affairs (OMA), when the comprehensive salary study budget was moved to the Department of Budget and Management (DBM). An additional reduction was due to a BPW cost containment action in the amount of \$81,443.

The special fund appropriation was increased by \$12,000 in the State Ethics Commission budget. The revenue source for this income came from monies received from filing fees required by lobbyists to register with the State Ethics Commission.

The reimbursable funds available to this agency, as well as some general funds, grew when the State Labor Relations Board (SLRB), an entity for independent review of public employee contracts, was transferred from DBM. It brought its \$56,519 general fund and \$375,058 reimbursable fund budgets along with it. However, SLRB cancelled \$199,805 in reimbursable funds for a combination of reasons. The first part was due to double funding the program when the Higher Education Labor Relations Board merged with SLRB. The remaining amount was cancelled due to lower than expected use of the board.

Several boards and offices cancelled or reverted funds. In general funds, GOCCP reverted \$66,803 due to DBM's mid-year reduction request as part of cost containment.

Federal fund cancellations by GOCCP and GOSV were due to the timing of expected grant payments, with many being made after the end of the fiscal year. Together, this amounted to \$2,392,612. An additional \$13,498 in federal funds were cancelled by OMA as a bookkeeping matter for all of Boards, Commissions, and Offices.

A cancellation of GOCCP's special funds was due to an error in fiscal 2004 and 2005 that resulted in higher than normal funding. As such, appropriations in fiscal 2006 and 2007 were cut back somewhat.

Fiscal 2008

The year began with a legislative appropriation of \$28,224,891. General funds were reduced by a Board of Public Works cost containment action of \$100,000. This reduction was almost entirely offset by the year's COLA, adding \$93,579.

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The special funds of the agency also increased by \$50,000 for the Governor’s Grant Office as well as by \$20,000 in reimbursable funds. This money came from registration fees for the 2007 Grants Conference, paid by representatives of local governments, nonprofit organizations, and the general public who met to discuss the best ways to find, secure, and manage grants. The employee COLA added a total of \$7,653 in special funds. Finally, several grants that were unbudgeted in the fiscal 2008 appropriation, or came in higher than expected, added \$2,307,026 of federal funds to GOCCP. They are as follows:

- Byrne-Justice Assistance Grants (\$2,176,537);
- Juvenile Justice and Delinquency Prevention Act (\$75,250); and
- State Justice Statistics Program (\$55,239).

Federal funds in the amount of \$40,000 came to the agency’s Volunteer Maryland budget to establish and operate a local project under the AmeriCorps Vista program. This will fund up to 41 volunteers to support efforts against poverty and poverty-related issues.

The State Ethics Commission received \$130,000 in special funds during the year due to a doubling in the lobbyist registration fee. This money was used to administer the lobbyist registration program and hire two contractual employees to assist.

Audit Findings

Audit Period for Last Audit:	January 1, 2005 to January 16, 2007
Issue Date:	October 2007
Number of Findings:	3
Number of Repeat Findings:	2
% of Repeat Findings:	66%
Rating: (if applicable)	n/a

The following are from a performance audit report on the Governor’s Office on Crime Control and Prevention, the Governor’s Office on Service and Volunteerism, the State Ethics Commission, and Volunteer Maryland.

Finding 1: **GOCCP should implement comprehensive procedures to monitor the use of funds in the Victim and Witness Protection Program as well as obtain detailed information from the State Attorneys’ Coordinator regarding the use of these funds.**

Finding 2: Use of federal funds should be tracked more closely. GOSV should more closely monitor and save for future reference its monthly reconciliation of federal funds. Additionally, GOCCP should ensure time allocation documents are properly reviewed and approved by supervisory personnel.

Finding 3: **At the State Ethics Commission and Volunteer Maryland, employees without access to collections should verify that all recorded collections were received by the Governor’s Finance Office for deposit as well as maintain accounts receivable records. In addition, collections should be deposited no later than the first working day after receipt, as required.**

*Bold denotes item repeated in full or part from preceding audit report.

**Object/Fund Difference Report
Executive Department – Boards, Commissions, and Offices**

<u>Object/Fund</u>	<u>FY07 Actual</u>	<u>FY08 Working Appropriation</u>	<u>FY09 Allowance</u>	<u>FY08-FY09 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	84.00	87.00	94.10	7.10	8.2%
02 Contractual	19.70	16.40	13.90	-2.50	-15.2%
Total Positions	103.70	103.40	108.00	4.60	4.4%
Objects					
01 Salaries and Wages	\$ 6,552,493	\$ 7,274,433	\$ 8,259,581	\$ 985,148	13.5%
02 Technical and Spec. Fees	1,378,773	1,277,466	1,278,433	967	0.1%
03 Communication	150,116	169,235	177,766	8,531	5.0%
04 Travel	159,004	184,244	175,517	-8,727	-4.7%
06 Fuel and Utilities	1,544	1,000	1,800	800	80.0%
07 Motor Vehicles	20,400	23,753	33,908	10,155	42.8%
08 Contractual Services	1,162,216	1,375,204	1,416,679	41,475	3.0%
09 Supplies and Materials	86,351	91,796	109,611	17,815	19.4%
10 Equip – Replacement	96,472	26,100	32,436	6,336	24.3%
11 Equip – Additional	26,870	5,000	4,500	-500	-10.0%
12 Grants, Subsidies, and Contributions	38,350,551	38,848,263	39,136,946	288,683	0.7%
13 Fixed Charges	369,418	354,447	536,391	181,944	51.3%
Total Objects	\$ 48,354,208	\$ 49,630,941	\$ 51,163,568	\$ 1,532,627	3.1%
Funds					
01 General Fund	\$ 28,708,419	\$ 28,218,470	\$ 29,525,618	\$ 1,307,148	4.6%
03 Special Fund	1,649,569	2,230,081	2,251,885	21,804	1.0%
05 Federal Fund	17,219,735	18,209,970	18,484,574	274,604	1.5%
09 Reimbursable Fund	776,485	972,420	901,491	-70,929	-7.3%
Total Funds	\$ 48,354,208	\$ 49,630,941	\$ 51,163,568	\$ 1,532,627	3.1%

Note: The fiscal 2008 appropriation does not include deficiencies.

Fiscal Summary
Executive Department – Boards, Commissions, and Offices

<u>Program/Unit</u>	<u>FY07 Actual</u>	<u>FY08 Wrk Approp</u>	<u>FY09 Allowance</u>	<u>Change</u>	<u>FY08-FY09 % Change</u>
01 Survey Commissions	\$ 70,812	\$ 122,000	\$ 122,000	\$ 0	0%
03 Office of Minority Affairs	1,194,476	1,188,708	1,331,448	142,740	12.0%
05 Office of Service and Volunteerism	4,306,544	5,807,933	6,259,946	452,013	7.8%
06 State Ethics Commission	757,787	901,866	991,128	89,262	9.9%
07 Health Claims Arbitration Office	389,355	405,933	420,325	14,392	3.5%
16 Governor's Office of Crime Control and Prevention	39,759,891	38,978,755	39,858,995	880,240	2.3%
17 Volunteer Maryland	711,569	848,963	850,014	1,051	0.1%
20 State Commission on Criminal Sentencing Policy	355,037	337,048	349,921	12,873	3.8%
21 Criminal Justice Coordinating Council	235,500	235,500	235,500	0	0%
22 Governor's Grants Office	351,504	431,059	433,748	2,689	0.6%
23 State Labor Relations Board	221,733	373,176	310,543	-62,633	-16.8%
Total Expenditures	\$ 48,354,208	\$ 49,630,941	\$ 51,163,568	\$ 1,532,627	3.1%
General Fund	\$ 28,708,419	\$ 28,218,470	\$ 29,525,618	\$ 1,307,148	4.6%
Special Fund	1,649,569	2,230,081	2,251,885	21,804	1.0%
Federal Fund	17,219,735	18,209,970	18,484,574	274,604	1.5%
Total Appropriations	\$ 47,577,723	\$ 48,658,521	\$ 50,262,077	\$ 1,603,556	3.3%
Reimbursable Fund	\$ 776,485	\$ 972,420	\$ 901,491	-\$ 70,929	-7.3%
Total Funds	\$ 48,354,208	\$ 49,630,941	\$ 51,163,568	\$ 1,532,627	3.1%

Note: The fiscal 2008 appropriation does not include deficiencies.