

**D11A0401**  
**Office of the Deaf and Hard of Hearing**

***Operating Budget Data***

(\$ in Thousands)

	<u>FY 08</u> <u>Actual</u>	<u>FY 09</u> <u>Working</u>	<u>FY 10</u> <u>Allowance</u>	<u>FY 09-10</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$240	\$279	\$308	\$29	10.2%
FY2009 Cost Containment	0	0	0	0	
Contingent & Back of Bill Reductions	0	0	-7	-7	
<b>Adjusted General Fund</b>	<b>\$240</b>	<b>\$279</b>	<b>\$301</b>	<b>\$21</b>	<b>7.6%</b>
<b>Adjusted Grand Total</b>	<b>\$240</b>	<b>\$279</b>	<b>\$301</b>	<b>\$21</b>	<b>7.6%</b>

- The fiscal 2010 allowance for the Office of the Deaf and Hard of Hearing (ODHH) increases by \$21,134, or 7.6%, after including a reduction in deferred compensation contingent on the passage of legislation and a reduction for contractual full-time equivalents.
- Contingent across-the-board reductions are made in the ODHH budget to reduce \$6,736 in general funds to reduce contractual full-time equivalent payroll and \$686 in general funds to delete the deferred compensation match. Personnel reductions may occur in this agency as part of a statewide \$30.0 million unallocated across-the-board reduction.

***Personnel Data***

	<u>FY 08</u> <u>Actual</u>	<u>FY 09</u> <u>Working</u>	<u>FY 10</u> <u>Allowance</u>	<u>FY 09-10</u> <u>Change</u>
Regular Positions	2.00	2.00	2.00	0.00
Contractual FTEs	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>0.00</u>
<b>Total Personnel</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>0.00</b>

***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New Positions	0.00	0.00%
Positions and Percentage Vacant as of 12/31/08	0.00	0.00%

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

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- Although not reflected in the personnel data, ODHH advises that the Assistant Director position became vacant in December 2008.
- There are no changes in the number of regular or contractual positions in the fiscal 2010 allowance for ODHH. However, Section 23 of the budget bill contains a reduction of \$6,736 in general funds to reduce contractual employee payroll.
- As in recent years, no turnover is budgeted for ODHH in the fiscal 2010 allowance.

## ***Analysis in Brief***

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### **Major Trends**

***New Performance Measures in ODHH:*** The Managing for Results submission for ODHH replaces the goals of previous years with two new goals and includes new performance measures. These new performance measures reflect ODHH’s role as a coordinating agency and its role with State and local governments and constituents.

***ODHH Provided Higher Levels of Information and Assistance to Constituents in Fiscal 2008:*** ODHH reported higher numbers of requests for assistance, instances of assistance, and conference/Expo exhibits in fiscal 2008 compared to fiscal 2007. Increases are expected to continue in these areas through fiscal 2010.

### **Issues**

***Consolidation of ODHH and the Department of Disabilities:*** ODHH was established as an independent office within the Office of the Governor by Chapter 537 of 2001. In December 2003, the Commission on the Structure and Efficiency of State Government recommended that ODHH be included in the Office for Individuals with Disabilities, which it recommended to be, and was later, elevated to a cabinet level position. In an effort to streamline government services, consideration could again be given to merging ODHH into the Maryland Department of Disabilities.

### **Recommended Actions**

	<u><b>Funds</b></u>	<u><b>Position</b></u>
1. Delete funding for reclassification.	\$ 10,905	
2. Delete Assistant Director position and related expenditures.	82,790	1.0
<b>Total Reductions</b>	<b>\$ 93,695</b>	<b>1.0</b>

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***Operating Budget Analysis***

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**Program Description**

The Office of the Deaf and Hard of Hearing (ODHH) advocates for and promotes the general welfare of deaf and hard of hearing individuals in the State. ODHH has two key goals. The first of these goals is that all deaf and hard of hearing citizens will have equal and full access to educational, health, and employment resources, and have opportunities to fully participate in community life. The second of these goals is that citizens of Maryland will be aware of the needs and issues affecting deaf and hard of hearing individuals.

**Performance Analysis: Managing for Results**

The Managing for Results (MFR) goals and performance measures for ODHH have been revised with the submission of the fiscal 2010 allowance. ODHH has replaced the previous three goals with two new goals.

The first of these goals focuses on access to resources for deaf and hard of hearing individuals. The measures for this goal focus on ODHH's work with other State and local government agencies, including services provided by the Department of Health and Mental Hygiene, Department of Information Technology, and Maryland State Department of Education related to the deaf and hard of hearing population.

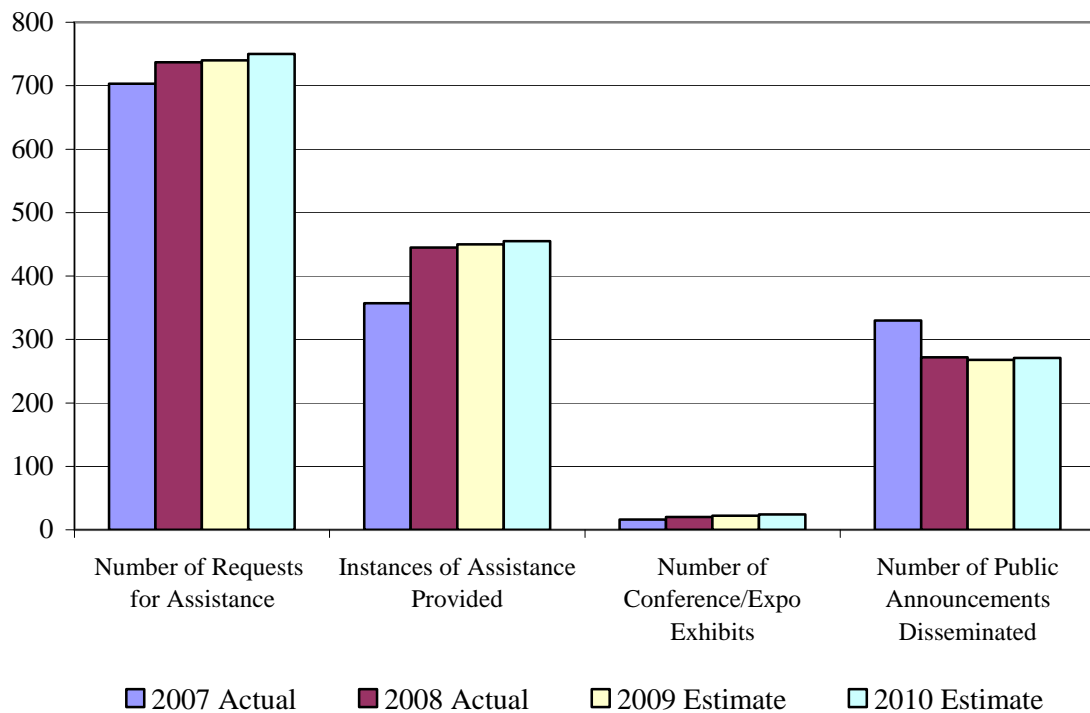
The second of these goals focuses on awareness of issues that affect deaf and hard of hearing individuals. The measures for this goal relate to ODHH's provision of information and assistance to the larger community. **ODHH should comment on the reason for the new goals and performance measures and if this represents a change in the focus of the work of the office.**

The performance measures for both goals include those related to information and assistance provided by ODHH.

In fiscal 2008, ODHH reports that it received 103 requests for assistance by State and local governments and that it provided 11 instances of technical assistance, 6 training and information sessions, and responded to 86 information requests. The number of training and information sessions and responses to information requests are expected to increase through fiscal 2010. However, the number of instances of technical assistance decreased between fiscal 2007 and 2008 and is expected to decrease further in fiscal 2009. ODHH indicates that it has begun increasing efforts in the area of education and outreach. While ODHH expects to be used as a resource in the review of existing policies and the development of new policies and programs by partner agencies, ODHH does not consider it technical assistance.

**Exhibit 1** provides information on similar measures of ODHH activities but as it relates to constituents and stakeholders. The number of requests for assistance ODHH received, instances of assistance it provided, and number of conference/Expo exhibits increased between fiscal 2007 and 2008. This increase is expected to continue through fiscal 2010 although generally at a slower rate. By contrast, the number of public announcements ODHH disseminated decreased between fiscal 2007 and 2008 and is expected to stay near that level through fiscal 2010. ODHH hopes in the future to provide more of the information previously disseminated through public announcements in bulletins or its newsletter.

**Exhibit 1**  
**Community Stakeholders and Constituents**  
**Fiscal 2007-2010**



Source: Office of the Deaf and Hard of Hearing

## Fiscal 2009 Actions

### Impact of Cost Containment

The fiscal 2009 appropriation for ODHH was reduced by \$658 in cost containment actions taken by the Board of Public Works in June and October 2008. This reduction occurred as part of the across-the-board reductions related to changes in health insurance funding and the elimination of payments to reduce the future liability for Other Post Employment Benefits.

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An additional decrease of approximately \$3,000 is expected as a result of the furlough plan, pending Board of Public Works' action.

### **Proposed Budget**

As shown in **Exhibit 2**, the fiscal 2010 allowance for ODHH increases by \$21,134, or 7.6%, compared to the fiscal 2009 working appropriation after including a reduction for contractual employee payroll and deferred compensation contingent on the passage of legislation.

### **Impact of Cost Containment**

A reduction of \$686 is associated with the deletion of the deferred compensation match contingent on the passage of legislation.

Section 23 of the budget bill contains a reduction of \$6,736 for contractual employee payroll. ODHH currently has a 0.8 full-time equivalent (FTE) contractual position used as an Administrative Assistant and 0.2 FTE contractual position used as a Communications and Special Projects Coordinator. As a result of this reduction, ODHH expects to reduce the number of hours the employees in these contractual positions will work. This is expected to negatively impact activities such as phone coverage, entry of information into a database, and monthly bulletin production.

### **Personnel**

The major changes in the fiscal 2010 allowance for ODHH occur in the area of personnel. An increase of \$10,905 was expected to be used for a reclassification for the Assistant Director position. The Assistant Director position has since become vacant. ODHH advises that the vacancy has provided an opportunity to re-evaluate the duties of the position and that it intends to use the funding provided for the reclassification to implement changes associated with that re-evaluation. This re-evaluation is still in process as of this writing.

An increase of \$9,476 in regular earnings reflects a higher salary, compared to the previous Director, for the current Director of ODHH who was appointed to the office in March 2008.

Another significant change in personnel occurs in employee and retiree health insurance costs, which increases by \$14,975.

### **Other Changes**

The fiscal 2010 allowance contains a decrease of \$7,036 in contractual services which had been used for the GoldMine database program. This database is used by ODHH for tracking measures used in the MFR as well as constituent contacts. ODHH indicates that most of the work to implement the database has been completed and that as a result the funding was reduced.

**Exhibit 2**  
**Proposed Budget**  
**Office of the Deaf and Hard of Hearing**  
**(\$ in Thousands)**

<b>How Much It Grows:</b>	<b>General Fund</b>	<b>Total</b>
2009 Working Appropriation	\$279	\$279
2010 Allowance	<u>308</u>	<u>308</u>
Amount Change	\$29	\$29
Percent Change	10.2%	10.2%
Contingent Reductions	-\$7	-\$7
Adjusted Change	\$21	\$21
Adjusted Percent Change	7.6%	7.6%

**Where It Goes:**

**Personnel Expenses**

Employee and retiree health insurance pay-as-you-go costs.....	\$15
Reclassification .....	11
Regular earnings.....	9
Retirement contribution.....	3
Deferred compensation including reduction contingent on the passage of legislation .....	-1
Reduction of Other Post Employment Benefits' unfunded liability.....	-1
Other fringe benefit adjustments .....	1

**Other Changes**

GoldMine database implementation completed .....	-7
Reduction of full-time equivalent contractual positions contingent on across-the-board reductions .....	-7
Contractual services including software licenses, interpreters, and advertising .....	-1
General operating expenses.....	-1
Rent to reflect recent experience for miscellaneous fees .....	-1

**Total** **\$21**

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

## ***Issues***

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### **1. Consolidation of ODHH and the Department of Disabilities**

#### **Responsibilities and Duties of ODHH**

ODHH was created as an independent office within the Office of the Governor as a result of Chapter 537 of 2001.

Section 9-2403(a) of the State Government Article states that ODHH is in general responsible for promoting the welfare of deaf and hard of hearing individuals in Maryland. Specifically, the responsibilities of ODHH, as provided in Section 9-2403(b), are:

- providing, advocating, and coordinating the adoption of public policies, regulations, and programs for deaf and hard of hearing individuals;
- improving access to communication and to existing services and programs for deaf and hard of hearing individuals;
- providing direct services to deaf and hard of hearing individuals as appropriate;
- increasing public awareness of the needs and issues affecting deaf and hard of hearing individuals;
- working with State and local agencies to ensure access for deaf and hard of hearing individuals to safety and emergency services, including the acquisition and distribution of visual smoke detectors;
- developing a referral service for deaf and hard of hearing individuals;
- serving as an information clearinghouse on the needs and issues affecting deaf and hard of hearing individuals;
- working to increase access for deaf and hard of hearing individuals to educational, health, and social opportunities;
- working with private organizations, the federal government, and other units of State government to promote economic development for deaf and hard of hearing individuals;
- working to eliminate the underemployment and unemployment of deaf and hard of hearing individuals;

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- providing a network through which services provided by State and federal programs serving deaf and hard of hearing individuals can be channeled; and
- promoting compliance with State, local, and federal laws and policies protecting and serving deaf and hard of hearing individuals.

Specifically, in relation to other government agencies, Section 9-2403(d) provides the following duties for ODHH:

- help facilitate the appropriate delivery of State, local, and other public services to deaf and hard of hearing individuals;
- advise other units of State government and the General Assembly on the needs of deaf and hard of hearing individuals;
- subject to appropriations in the State budget, provide any reasonable resources that any other unit of State government requests to serve or assist deaf and hard of hearing individuals; and
- to the greatest extent possible, in order to avoid any duplication of effort, coordinate with other units of the State and the federal government the services provided to deaf and hard of hearing individuals.

### **Consolidation of ODHH into Maryland Department of Disabilities**

Although ODHH was a relatively new office at the time, in December 2003, the Commission on the Structure and Efficiency of State Government issued a report that included as one recommendation that ODHH be consolidated into the Governor's Office for Individuals with Disabilities. The report also recommended that the Office for Individuals with Disabilities be raised to a cabinet level agency, which occurred during the 2004 session.

The commission included as part of its recommendation that ODHH should be a distinct unit or division in the new department. The report specifically mentions that this type of merger could eliminate duplication of activities and could ensure services and policies are coordinated.

Despite this recommendation ODHH was not consolidated with the Maryland Department of Disabilities (MDOD) when the Governor's Office for Individuals with Disabilities was raised to a cabinet level position in Chapter 425 of 2004.

In an effort to streamline service provisions and create efficiencies within State government, consideration could again be given to the merger of ODHH into MDOD.

## **Administration of ODHH**

ODHH currently co-locates with MDOD. The Assistant Director position of ODHH became vacant in December 2008, leaving it with only one filled regular position. In addition, Section 23 of the budget bill provides for a reduction in the contractual employee payroll in ODHH. ODHH expects that as a result of this proposed action, it will reduce the number of hours worked by its contractual employees. This reduction in hours worked by the two part-time contractual employees is expected to reduce some capacity in the ODHH office for administrative functions as noted earlier. Merging ODHH and MDOD could allow for a focus on the core functions of ODHH while reducing the duplication in administrative activities such as the phone coverage and data entry expected to be negatively impacted by the contractual employee reduction.

## **Activities of ODHH**

Both ODHH and MDOD include as part of its work constituent service activities, which provide information and assistance. For fiscal 2008, MDOD reported that approximately 1.1% of the approximately 1,200 contacts to its constituent services program were related to services for the deaf and hard of hearing.

In addition, several strategies in the 2009 State Disabilities Plan produced by MDOD related to services for deaf, hard of hearing, or deaf-blind individuals:

- Strategy 1.3 in Transportation relates to barriers to driver education for individuals who are deaf or who have other disabilities;
- Strategy 2.1 in Health and Behavioral Health focuses on a needs assessment of deaf, hard of hearing, or deaf-blind individuals needing behavioral health services; and
- Strategy 5.2 in Education encourages the use of a certain screening program for American Sign Language interpreters for individuals with disabilities in public schools.

ODHH indicates that one of the agencies it coordinates with is MDOD. In particular, ODHH indicates its coordination with MDOD includes the areas of accessibility and emergency preparedness, in addition to coordination around the State Disabilities Plan.

This indicates that for at least these areas the coordination of policies and services could be improved with a merger.

## **Conclusion**

**Because ODHH is authorized in legislation, the Department of Legislative Services recommends that amendments to the Budget Reconciliation and Financing Act of 2009 (HB 101/SB 166) be adopted to merge ODHH into MDOD. ODHH should comment on the advantages and disadvantages of a consolidation of ODHH and MDOD.**

***Recommended Actions***

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	<b><u>Amount Reduction</u></b>		<b><u>Position Reduction</u></b>
1. Delete funding for reclassification of Assistant Director position.	\$ 10,905	GF	
2. Delete Assistant Director position (PIN 064645) and related salary and operating expenditures in communications and travel. This vacant position could be abolished to begin the consolidation of the Office of the Deaf and Hard of Hearing and the Maryland Department of Disabilities.	82,790	GF	1.0
<b>Total General Fund Reductions</b>	<b>\$ 93,695</b>		<b>1.0</b>

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

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### **Current and Prior Year Budgets Office of the Deaf and Hard of Hearing (\$ 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 2008</b>					
Legislative Appropriation	\$271	\$0	\$0	\$0	\$271
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	3	0	0	0	3
Cost Containment	0	0	0	0	0
Reversions and Cancellations	-34	0	0	0	-34
<b>Actual Expenditures</b>	<b>\$240</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$240</b>
<b>Fiscal 2009</b>					
Legislative Appropriation	\$277	\$0	\$0	\$0	\$277
Cost Containment	-1	0	0	0	-1
Budget Amendments	4	0	0	0	4
<b>Working Appropriation</b>	<b>\$279</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$279</b>

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

## **Fiscal 2008**

The general fund appropriation of ODHH increased by \$3,244 during fiscal 2008 as a result of employee cost-of-living adjustments (COLA). This increase was more than offset by a reversion of approximately \$34,190. This reversion was the result of a partial year vacancy, contractual employees working fewer than expected hours, and costs associated with interpreters.

## **Fiscal 2009**

The fiscal 2009 general fund appropriation has increased by \$2,866. This net increase was the result of an increase associated with employee COLAs, which were partially offset by cost containment actions.

**Object/Fund Difference Report  
Office of the Deaf and Hard of Hearing**

<u>Object/Fund</u>	<u>FY08 Actual</u>	<u>FY09 Working Appropriation</u>	<u>FY10 Allowance</u>	<u>FY09 - FY10 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	2.00	2.00	2.00	0	0%
02 Contractual	1.00	1.00	1.00	0	0%
<b>Total Positions</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>0</b>	<b>0%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 159,258	\$ 185,371	\$ 223,692	\$ 38,321	20.7%
02 Technical and Spec. Fees	31,931	37,748	37,713	-35	-0.1%
03 Communication	6,117	5,539	4,886	-653	-11.8%
04 Travel	6,431	7,692	7,000	-692	-9.0%
06 Fuel and Utilities	735	1,000	750	-250	-25.0%
07 Motor Vehicles	3,220	3,120	3,780	660	21.2%
08 Contractual Services	20,163	30,736	22,566	-8,170	-26.6%
09 Supplies and Materials	3,618	1,000	1,000	0	0%
11 Equipment – Additional	1,771	0	0	0	0.0%
13 Fixed Charges	6,765	7,290	6,666	-624	-8.6%
<b>Total Objects</b>	<b>\$ 240,009</b>	<b>\$ 279,496</b>	<b>\$ 308,053</b>	<b>\$ 28,557</b>	<b>10.2%</b>
<b>Funds</b>					
01 General Fund	\$ 240,009	\$ 279,496	\$ 308,053	\$ 28,557	10.2%
<b>Total Funds</b>	<b>\$ 240,009</b>	<b>\$ 279,496</b>	<b>\$ 308,053</b>	<b>\$ 28,557</b>	<b>10.2%</b>

Note: The fiscal 2009 appropriation does not include deficiencies. The fiscal 2010 allowance does not include contingent reductions.