

Q00K00
Criminal Injuries Compensation Board
 Department of Public Safety and Correctional Services

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>
Special Fund	\$5,273	\$4,781	\$4,598	-\$183	-3.8%
Contingent & Back of Bill Reductions	0	0	-2	-2	
Adjusted Special Fund	\$5,273	\$4,781	\$4,596	-\$185	-3.9%
Federal Fund	1,600	1,800	2,500	700	38.9%
Adjusted Federal Fund	\$1,600	\$1,800	\$2,500	\$700	38.9%
Adjusted Grand Total	\$6,873	\$6,581	\$7,096	\$515	7.8%

- The fiscal 2010 allowance increases by approximately \$515,000, or 7.8%. This growth is largely attributable to additional funding for new positions and grants to victims of crime. An across-the-board action to eliminate the deferred compensation match reduces the allowance by \$2,000.

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	7.00	7.00	14.00	7.00
Contractual FTEs	<u>5.99</u>	<u>8.85</u>	<u>3.60</u>	<u>-5.25</u>
Total Personnel	12.99	15.85	17.60	1.75

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies	1.38	9.89%
Positions and Percentage Vacant as of 12/31/08	1.00	14.29%

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

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Q00K00 – DPSCS – Criminal Injuries Compensation Board

- The allowance includes the contractual conversion of 7.0 full-time equivalents (FTEs) to provide funding for 7 regular positions. Having positions with contractual classifications has hurt the retention efforts for these positions. The agency is retaining 0.25 from each FTE to allow time for the transition to a regular position. The total reduction for FTEs is therefore only 5.25. Typically, new regular positions would be budgeted at 25.00% turnover expectancy. In this case, turnover expectancy was allocated across both new and existing positions; turnover for existing positions is therefore 9.89%, and turnover for new positions is 9.13%.

Analysis in Brief

Major Trends

Eligible Claims Processing: The Criminal Injuries Compensation Board has decreased the average number of days it takes to process an eligible claim by 33.2%, despite an 18.9% increase in the number of claims since fiscal 2002. The agency appears to be on track to reach the goal of 70% of claims processed within 180 days of determining eligibility by fiscal 2009. **The agency should comment on what operational changes have been made since fiscal 2005 that have contributed to the improvement in eligible claims processing.**

Recommended Actions

	<u>Funds</u>
1. Reduce funding for 1.75 full-time equivalents associated with contractual conversion.	\$ 58,707
Total Reductions	\$ 58,707

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Criminal Injuries Compensation Board
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Operating Budget Analysis

Program Description

The Criminal Injuries Compensation Board (CICB) awards grants to innocent victims of crime who incur financial hardship as a result of crime. Awards may be made for lost wages, medical expenses, counseling, crime scene clean-up, and funeral expenses for victims of homicide. Grants may not exceed \$45,000, including any subsequent and supplemental awards, with the exception of victims suffering permanent total disability. After a disability-related claim of \$25,000 has been awarded to the victim, if the injury to the victim resulted in permanent total disability, the victim may request an additional award of up to \$25,000. Funding for these grants is generated by the State's Criminal Injuries Compensation Fund (CICF) from fees assessed by circuit and District courts. CICF is also supplemented by federal funds.

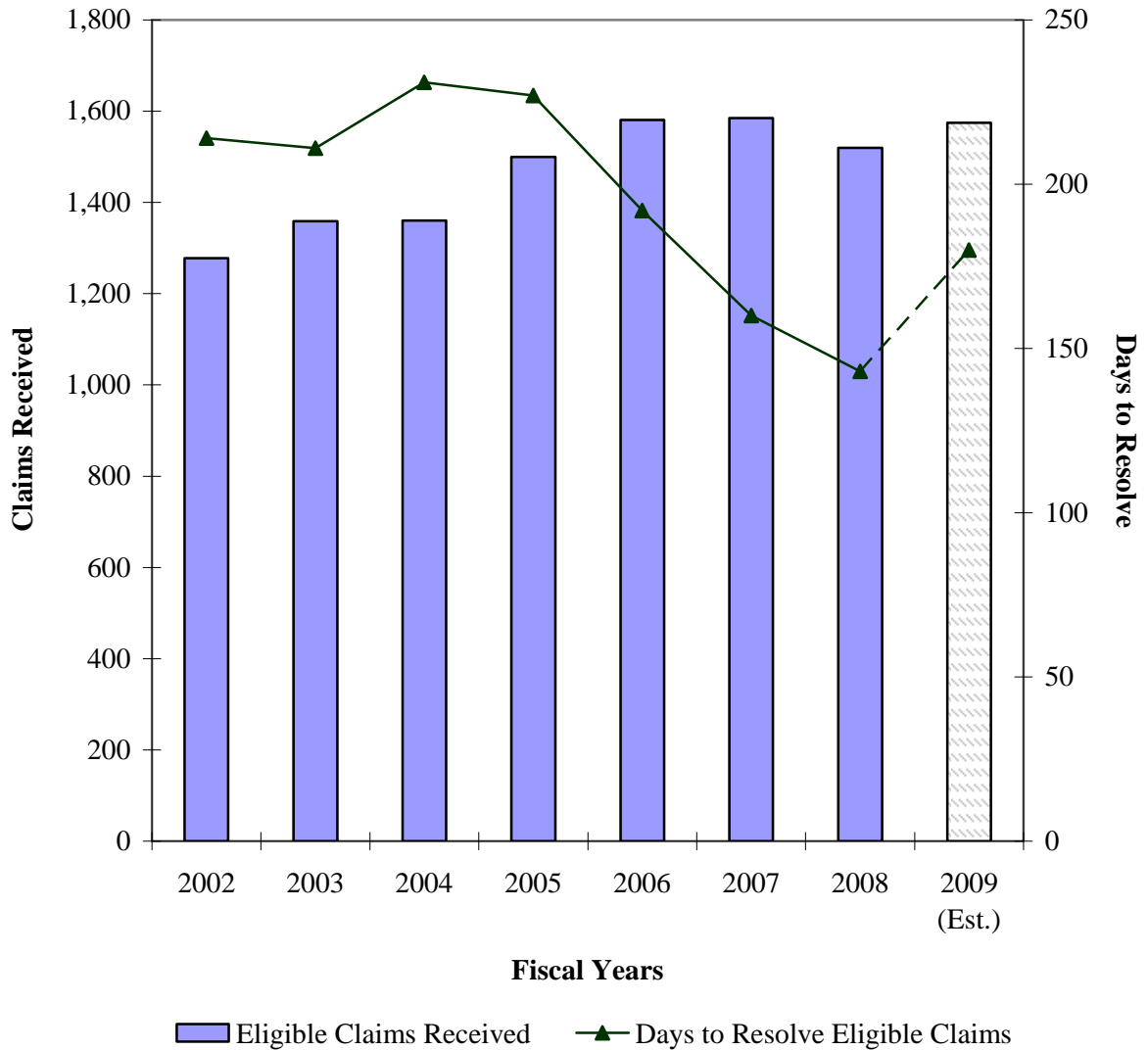
Performance Analysis: Managing for Results

The mission of CICB is to alleviate the financial hardship suffered by innocent victims of crime and their families. As such, timely resolution of claims is a must. **Exhibit 1** shows the average number of days it takes CICB to resolve a claim. CICB has decreased the average number of days it takes to resolve an eligible claim by 33.2%, despite an 18.9% increase in the number of claims since fiscal 2002. In fiscal 2008, it took an average of 143 days to resolve a claim, as compared to 214 days in fiscal 2002.

Exhibit 2 demonstrates the agency's objective to resolve claims within a given time frame. CICB continues to be on track to meet the goal of having 70% of eligible claims resolved within 180 days of determining eligibility. In fiscal 2008, 67% of eligible claims were resolved within 180 days. This is a marked improvement from the most recent low in fiscal 2005, when the agency was only resolving 35% of claims within 180 days. **The agency should comment on what operational changes have been made since fiscal 2005 that have contributed to the improvement in the time it takes to resolve eligible claims.**

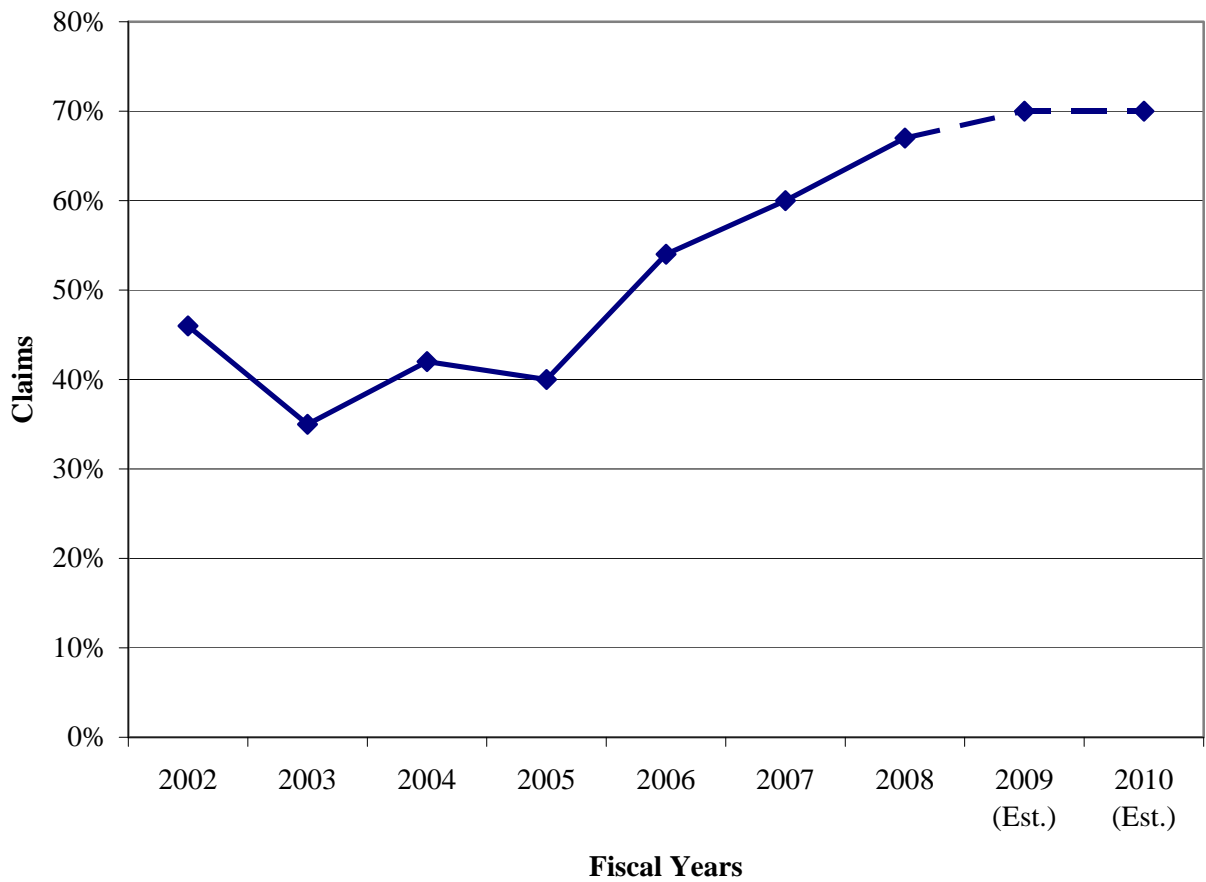
Even with the improvements in the resolution of claims since fiscal 2005, it still takes the agency four to six months to award victims of crime or their families with compensation. For 33% of eligible claims in fiscal 2008, it took longer than six months for the agency to reach a resolution. **CICB should comment on why the process takes an average of four to six months to complete and what is being done to further improve the timeliness of making awards to victims of crime and their families.**

Exhibit 1
Criminal Injuries Compensation Board
Resolution of Eligible Claims
Fiscal 2002-2009



Source: Department of Public Safety and Correctional Services

Exhibit 2
Criminal Injuries Compensation Board
Eligible Claims Resolved in 180 Days
Fiscal 2002-2010



Source: Department of Public Safety and Correctional Services

Fiscal 2009 Actions

Impact of Cost Containment

Fringe benefit appropriations were reduced by \$3,333 as Other Post Employment Benefits prefunding was ceased and statewide employee health insurance balances were used in lieu of budgeted funds.

Proposed Budget

As shown in **Exhibit 3**, the Governor's fiscal 2010 allowance increases by \$515,000, or 7.8%, over the fiscal 2009 working appropriation. Personnel expenses increase by \$113,000. Increases for new positions are slightly offset by the elimination of funding for the deferred compensation match and Other Post Employment Benefits payments. CICB also receives an additional \$10,000 for a maintenance contract to support award tracking software, which was updated in fiscal 2008. The majority of the increase in the fiscal 2010 allowance, approximately \$380,000, reflects the net increase in federal funding for grants to victims of crime. Federal grants for victims' crime compensation is awarded based on 60% of the special funds spent by the State for awards for victims of crime during the federal fiscal year two years previous to the grant award year. CICB receives an additional \$700,000 in federal funding, offset by a \$320,000 reduction in special funds. The number of awards made per fiscal year has increased 22.6% compared to fiscal 2004.

Personnel

A net increase of \$162,000 is provided for the contractual conversion of 7.0 full-time equivalents (FTEs) to provide funding for 7 regular positions. The agency is retaining 0.25 from each FTE to allow time for the transition to a regular position, so the actual FTE reduction is 5.25 positions. Typically, new regular positions would be budgeted at 25.00% turnover expectancy. In this case, turnover expectancy was allocated across both new and existing positions; turnover for existing positions is therefore 9.89%, and turnover for new positions is 9.11%.

The positions to be converted include four claims investigators, one office processing clerk, one fiscal accounts clerk, and one office clerk assistant. All of the FTEs are currently filled positions; however, having these positions with contractual classifications has hurt the recruitment and retention efforts for keeping these positions filled in the past. The actions in the fiscal 2010 allowance would convert all of the agency's FTEs to regular positions, aside from the four board members and the chair.

Since the positions designated for conversion are already filled, the Department of Legislative Services recommends deleting the remaining 1.75 FTE positions associated with the contractual conversion and restoring the turnover expectancy associated with the new positions. The turnover rate set for existing positions would remain since historically this agency has operated with at least one vacancy.

Exhibit 3
Proposed Budget
DPSCS – Criminal Injuries Compensation Board
(\$ in Thousands)

How Much It Grows:	<u>Special</u> <u>Fund</u>	<u>Federal</u> <u>Fund</u>	<u>Total</u>
2009 Working Appropriation	\$4,781	\$1,800	\$6,581
2010 Allowance	<u>4,598</u>	<u>2,500</u>	<u>7,098</u>
Amount Change	-\$183	\$700	\$517
Percent Change	-3.8%	38.9%	7.9%
Contingent Reductions	-\$2	\$0	-\$2
Adjusted Change	-\$185	\$700	\$515
Adjusted Percent Change	-3.9%	38.9%	7.8%

Where It Goes:

Personnel Expenses

New positions – net cost of contractual conversions	\$162
Increments and other compensation.....	2
Employee and retiree health insurance	-11
Other Post Employment Benefits.....	-12
Elimination of deferred compensation match	-2
Turnover adjustments.....	-26
Other fringe benefit adjustments.....	1

Other Changes

Grants to victims of crime.....	380
Printing and reproduction, reflects fiscal 2008 actual spending	11
Maintenance contract for new award tracking software	10

Total **\$515**

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

Recommended Actions

	<u>Amount Reduction</u>
1. Reduce funding for 1.75 full-time equivalents (FTEs) associated with the contractual conversion. This reduces the remaining positions associated with the contractual conversions. Since all positions designated for conversion are currently filled, funding for a portion of the FTEs is not necessary. This reduction should be distributed across all salary and fringe benefit costs associated with FTE positions.	\$ 58,707 SF
Total Special Fund Reductions	\$ 58,707

Current and Prior Year Budgets

Current and Prior Year Budgets Criminal Injuries Compensation Board (\$ in Thousands)

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2008					
Legislative Appropriation	\$0	\$4,516	\$1,600	\$0	\$6,116
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	0	757	0	0	757
Cost Containment	0	0	0	0	0
Reversions and Cancellations	0	0	0	0	0
Actual Expenditures	\$0	\$5,273	\$1,600	\$0	\$6,873
Fiscal 2009					
Legislative Appropriation	\$0	\$4,766	\$1,800	\$0	\$6,566
Cost Containment	0	-3	0	0	-3
Budget Amendments	0	18	0	0	18
Working Appropriation	\$0	\$4,781	\$1,800	\$0	\$6,581

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

Fiscal 2008

Special fund spending for fiscal 2008 totaled nearly \$5.3 million, an increase of approximately \$757,000. In addition to the \$7,000 cost-of-living adjustment, the agency received an additional \$750,000 to provide additional awards for victims of crime and to purchase new data processing software for tracking claims and awards.

Federal fund expenditures totaled \$1.6 million for fiscal 2008.

Fiscal 2009

The special fund working appropriation is nearly \$4.8 million, increasing a net of \$15,000 over the legislative appropriation. Fiscal 2009 cost containment actions reduced personnel expenditures by approximately \$3,000. One budget amendment for the cost-of-living adjustment and annual salary review for claims investigators increased the appropriation by \$18,000.

**Object/Fund Difference Report
DPSCS – Criminal Injuries Compensation Board**

<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>
Positions					
01 Regular	7.00	7.00	14.00	7.00	100.0%
02 Contractual	5.99	8.85	3.60	-5.25	-59.3%
Total Positions	12.99	15.85	17.60	1.75	11.0%
Objects					
01 Salaries and Wages	\$ 403,340	\$ 460,084	\$ 672,162	\$ 212,078	46.1%
02 Technical and Spec. Fees	204,141	210,016	113,373	-96,643	-46.0%
03 Communication	15,447	13,235	16,685	3,450	26.1%
04 Travel	8,477	6,650	8,850	2,200	33.1%
08 Contractual Services	125,021	23,940	38,850	14,910	62.3%
09 Supplies and Materials	8,559	9,000	9,000	0	0%
11 Equipment – Additional	716	0	0	0	0.0%
12 Grants, Subsidies, and Contributions	6,071,447	5,820,000	6,200,000	380,000	6.5%
13 Fixed Charges	36,037	38,001	38,975	974	2.6%
Total Objects	\$ 6,873,185	\$ 6,580,926	\$ 7,097,895	\$ 516,969	7.9%
Funds					
03 Special Fund	\$ 5,273,185	\$ 4,780,926	\$ 4,597,895	-\$ 183,031	-3.8%
05 Federal Fund	1,600,000	1,800,000	2,500,000	700,000	38.9%
Total Funds	\$ 6,873,185	\$ 6,580,926	\$ 7,097,895	\$ 516,969	7.9%

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