



THE PRINCE GEORGE'S COUNTY GOVERNMENT

Office of Audits and Investigations

April 25, 2017

MEMORANDUM

TO: Karen R. Toles, Chair
Health, Education, and Human Services Committee (HEHS)

THRU: David H. Van Dyke, County Auditor *DH*

FROM: Patrick Pope, Staff Auditor *PP*

RE: Department of Family Services
Fiscal Year 2018 Budget Review

Budget Overview

The FY 2018 Proposed Budget for the Department of Family Services is \$15,321,600. This is a decrease of \$234,400, or 1.5%, under the FY 2017 Approved Budget. The General Fund portion of the budget increases by \$838,700, mainly due to an increase in compensation to support the Disabilities Training Apprenticeship Program, support services for domestic violence, and the Options Counseling Program.

The Grant funded portion of the Department's budget is \$9,922,300, or 64.8%, of the total budget and decreases by \$1,073,100, largely due to a decrease in the Children, Youth, and Families Division and the Aging Services Division.

The FY 2018 proposed funding for the Domestic Violence Fund is \$390,000, which remains unchanged from the FY 2017 funding level.

The Department expects to request supplemental grant funding in the amount of \$155,044 in FY 2017 to support Home Visiting-Healthy Families (\$91,616), Title IIIC2: Nutrition for the Elderly-Home Delivered Meals (\$31,562), Senior Care (\$28,278) and various other programs.

Fund	FY 2016 Actual	FY 2017 Approved	FY 2017 Estimated	% Change - Est vs App	FY 2018 Proposed	\$ Change	% Change
General Fund	\$ 2,678,781	\$ 4,170,600	\$ 4,112,500	-1.4%	\$ 5,009,300	\$ 838,700	20.1%
Grants	9,535,268	10,995,400	10,206,900	-7.2%	9,922,300	(1,073,100)	-9.8%
Domestic Violence Fund	391,848	390,000	390,000	0.0%	390,000	-	0.0%
Total	\$ 12,605,897	\$ 15,556,000	\$ 14,709,400	-8.6%	\$ 15,321,600	\$ (234,400)	-1.5%

Authorized Staffing - All Classifications

	FY 2017 Approved	FY 2018 Proposed	Change Amount	% Change
General Fund	18	25	7	38.9%
Grants	139	140	1	0.7%
Total	157	165	8	5.1%

Budget Comparison - General Fund

Approved Fiscal Year 2017 to Proposed Fiscal Year 2018

Category	FY 2016 Actual	FY 2017 Approved	FY 2017 Estimated	FY 2018 Proposed	Change Amount	Percentage Change
Compensation	\$ 1,071,740	\$ 1,551,100	\$ 1,513,100	\$ 2,313,900	\$ 762,800	49.2%
Fringe Benefits	288,488	400,800	390,300	615,500	214,700	53.6%
Operating Expenses	1,292,381	2,376,900	2,367,300	2,238,900	(138,000)	-5.8%
Capital Outlay	33,481	-	-	-	-	
Sub-Total	\$ 2,686,090	\$ 4,328,800	\$ 4,270,700	\$ 5,168,300	\$ 839,500	19.4%
Recoveries	(7,309)	(158,200)	(158,200)	(159,000)	(800)	0.5%
Total	\$ 2,678,781	\$ 4,170,600	\$ 4,112,500	\$ 5,009,300	\$ 838,700	20.1%

Authorized Staffing Count - General Fund

	FY 2017 Approved	FY 2018 Proposed	Change Amount	Percentage Change
Full-Time	18	25	7	38.9%
Total	18	25	7	38.9%

Staffing Changes and Compensation

- General Fund compensation is increasing by \$762,800, or 49.2%, over the FY 2017 Approved Budget. The increase in compensation is due to the addition of seven (7) positions, as well as anticipated cost-of-living adjustments and merit increases.
- The FY 2018 Proposed General Fund authorized staffing level is 25 full-time positions. This is an increase of seven (7) full-time positions over the FY 2017 approved budget level. The increased staffing will support the Disabilities Training Apprenticeship Program, support services for victims of domestic violence, and the Options Counseling Program.
- The Department has one (1) employee assigned to the Office of the County Executive who provides administrative support.
- As of March 13, 2017, the Department reported three (3) vacant General Fund positions. The Department anticipates filling all three (3) positions by July 2017.

Fringe Benefits

- Fringe benefit expenditures are proposed to increase by \$214,700, or 53.6%, due to an increase in compensation.
- A five year trend analysis of fringe benefit expenditures is included below.

Fringe Benefits Historical Trend					
	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Estimated	FY 2018 Proposed
Fringe Benefits	\$ 277,048	\$ 284,033	\$ 288,488	\$ 390,300	\$615,500
As a % of Compensation	32.2%	32.4%	26.9%	25.8%	26.6%
Annual % Change		2.5%	1.6%	35.3%	57.7%

Operating Expenses

- FY 2018 proposed operating expenses are \$2,238,900 and are comprised of the following major items:
 - Operational Contracts \$1,356,800
 - Office Automation 239,700
 - Grants and Contributions 150,000
 - General Office Supplies 149,800
- Total operating expenses are proposed to decrease by \$138,000, or 5.8%, below the FY 2017 approved level. The accompanying table compares the FY 2018 Proposed Budget operating expenditures with the FY 2017 Approved Budget operating expenditures. In three (3) of the categories, the FY 2018 Proposed Budget reduces planned spending from the FY 2017 budget. In seven (7) of the categories, the FY 2018 Proposed Budget level remains unchanged compared to FY 2017 Approved Budget. FY 2018 proposed expenditures increase in eight (8) categories.

Operating Objects	FY 2017 Budget	FY 2018 Proposed	FY 2017 - FY 2018	
			\$ Change	% Change
Operating Contracts	\$ 506,300	\$ 1,356,800	\$ 850,500	168.0%
General Office Supplies	136,300	149,800	13,500	9.9%
Training	1,900	12,000	10,100	531.6%
Equipment Lease	12,000	21,500	9,500	79.2%
Printing	500	8,700	8,200	1640.0%
Mileage Reimbursement	1,900	5,700	3,800	200.0%
Telephone	10,100	12,500	2,400	23.8%
Membership Fees	1,300	1,500	200	15.4%
Postage	500	500	-	0.0%
Office Automation	239,700	239,700	-	0.0%
Travel: Non-Training	1,000	1,000	-	0.0%
Gas & Oil	1,000	1,000	-	0.0%
Grants & Contributions	150,000	150,000	-	0.0%
Grant Cash Match	126,200	126,200	-	0.0%
Interfunds Transfers	82,000	82,000	-	0.0%
Advertising	5,000	2,000	(3,000)	-60.0%
Vehicle Equipment Repair/Maintenance	17,200	14,000	(3,200)	-18.6%
General & Administrative Contracts	1,084,000	54,000	(1,030,000)	-95.0%
TOTAL	\$ 2,376,900	\$ 2,238,900	\$ (138,000)	-5.8%

- The most significant increase between the FY 2018 Proposed Budget and the FY 2017 Approved Budget is Operating Contracts (\$850,500), due to the reallocation of contracts from the general and administrative contracts category.
- General and Administrative Contracts represent the largest decrease of operating expenses from the FY 2017 Approved Budget level. The decrease includes reallocation of funds to operating contracts and two contractual staff converted to full-time.

Recoveries

- Proposed recoveries for FY 2018 total \$159,000, an increase of \$800, or 0.5%, above the FY 2017 budgeted level. The Department receives recoveries for compensation and fringe benefits for two (2) staff members who provide financial support for grant related activities.

HIGHLIGHTS

- The Department hired a Veterans Coordinator in October 2016, who is working to increase the visibility of the Veteran's Affairs Office and to enhance opportunities and efforts towards the identification of needs and services for our County Veterans and their families. He is also partnering with other non-profit entities within the Veteran's discipline, and progressing in areas such as: access to services, identification of housing resources, and identification of funds to support immediate client needs.
- During FY 2017, The Department provided case management services to 200 youth for a minimum of three months and a maximum of up to a year through the Children in Need of Supervision (CINS) Program. Services provided include the administration of an evidence-based family assessment, the identification of appropriate services, and supporting linking families to the resources that will support the goals outlined in a Family Service Plan.
- During FY 2017, the Department partnered with the Office of Human Resources Management to develop a Disability Apprenticeship Training Program to provide County Residents between the ages of 18-25 years of age with developmental disabilities and intellectual disabilities the opportunity to use their skills, gain meaningful job training and qualify for employment with the County Government.
- The Department's FY 2017 General Fund budget included funding in the amount of \$1,259,800 to enhance services available to victims of domestic violence and human trafficking, and their families. The Department has identified a variety of programs, services, and trainings in an effort to increase awareness of these issues within the County. The funding provided was used primarily for conference trainings, seminars, direct intervention, and public relations campaigns. The Division is also an active participant in the new Family Justice Center located in Upper Marlboro.
- The Department continues to work closely with the Office of Central Services, and the other human service agencies to continue progress toward the completion of the Regional Health and Human Services Center. The building design has been drafted for the five-floor building that will serve as a one-stop shop for the delivery of critical human services and programs from the three Human Service agencies. The entire Department will be relocated to the new building, which is tentatively scheduled for completion in FY 2019.

Budget Comparison – Grant Funds

Approved Fiscal Year 2017 to Proposed Fiscal Year 2018

Category	FY 2016 Actual	FY 2017 Approved	FY 2017 Estimate	FY 2018 Proposed	Change Amount	Percentage Change
Compensation	\$ 3,384,209	\$ 4,349,700	\$ 4,141,300	\$ 3,448,600	\$ (901,100)	-20.7%
Fringe Benefits	672,243	895,200	867,300	774,800	(120,400)	-13.4%
Operating Expenses	5,685,810	6,134,700	5,582,500	5,914,600	(220,100)	-3.6%
Total	\$ 9,742,262	\$ 11,379,600	\$ 10,591,100	\$ 10,138,000	\$ (1,241,600)	-10.9%

Authorized Staffing Count - Grant Funds

	FY 2017 Approved	FY 2018 Proposed	Change Amount	Percentage Change
Full-Time	27	26	(1)	-3.7%
Part-Time	70	70	0	0.0%
Limited Term	42	44	2	4.8%
Total	139	140	1	0.7%

Staffing Changes and Compensation

- Grant funds are provided for 26 full-time, 70 part-time, and 44 limited-term grant funded (LTGF) positions. Full-time staff decreases by one (1), while part-time staff remains unchanged, and LTGF positions increase by two (2). The overall staffing level increases by one (1) position from the previous fiscal year.
- As of March 13, 2017, the Department reported 11 vacant Grant Funded positions. The Department anticipates filling these vacancies by July 2017. The Department also reported that it has eight (8) positions filled with temporary workers and plans to permanently fill these positions in July 2017.

Grants

- The Department's major grant program divisions for FY 2018 are:
 - Aging Services Division (\$6.5 million proposed) – decrease of \$324,600 below the FY 2017 budgeted level. This represents 63% of the Department's proposed FY 2018 grants.
 - The Department anticipates a decrease of \$382,100 in FY 2018 for the Community Options Waiver grant, which enables older adults to remain in a community setting through their advanced age or disability. Services typically covered by Medicaid in a long-term facility would be provided to eligible persons in their own homes or assisted living facility.

- In FY 2018, \$820,900 in grant funding is anticipated for Senior Care. This program provides funds for residential support, housekeeping, personal services, and 24-hour supervision to seniors at least the age of 62. The funds also support coordinating activities necessary to approve facilities for certification and for monitoring visits.
- The Department also plans to receive funding in the amount of \$1,026,200 in FY 2018 for the Nutrition for the Elderly-Congregate Meals program. Funding from this program is used to provide meals to residents aged 60 and over at locations throughout the County. The program partners with the Department of Public Works and Transportation to provide necessary transportation to and from the sites.
- Children, Youth, & Families Division (\$3.5 million proposed) – decrease of \$606,300 below the FY 2017 budgeted level. This represents 34% of the Department’s proposed FY 2018 grants.
 - In FY 2018, \$687,200 in grant funding is anticipated for Multi-Systemic Therapy from the Department of Juvenile Services which is an intensive family and community based treatment model to address multiple determinants of serious antisocial behavior in juvenile offenders. Referrals for this funding are received solely from the Department of Juvenile Services.
 - Grant funding in the amount of \$291,900 remains flat from the FY 2017 approved level for the Youth Services Bureaus. Youth Services Bureaus provide formal and informal counseling, crisis intervention, substance abuse assessment, and referral services for youth at risk of becoming delinquent because of their behaviors and circumstances, and for youth who have committed minor delinquencies.

HIGHLIGHTS

- In FY 2018, the Domestic Violence and Human Trafficking Division does not anticipate receiving grant funds to support its mission. The Department reported that funding received in FY 2017 was one-time funding that is not anticipated in the upcoming fiscal year and that General Funds provided by the County Executive and County Council will help to reduce the impact of the loss of grant funding. As previously discussed, funding in the amount of \$1.3 million is included in the proposed FY 2018 General Fund budget to support the Domestic Violence-Human Trafficking Division.
- In FY 2017, the Department received increased funding for the Children In Need of Supervision (CINS) program within the Children, Youth and Families Division. This funding was used to support an additional case manager for the program. The Proposed FY 2018 budget includes funding in the amount of \$271,700 to support the CINS program. The Department plans to provide services to at least 125 youth and their families through this program.
- In FY 2017, the Home Visiting – Expansion and the Home Visiting – Healthy Families (DHMH) grants were combined into one program, the Healthy Families Home Visiting program. This program provides quality home visiting services utilizing the Healthy Families America (HFA) model, which is a national, research based home visiting program focusing on a positive parent-child interaction and healthy childhood development. The program is administered through three separate vendors in the County: Prince George’s Child Resource Center, Mary’s Center, and Bright Beginnings. From July 2016 to date, this program has served 115 families, with an anticipated 150 families being served in FY 2018.

Budget Comparison – Domestic Violence Fund (SR50)

Approved Fiscal Year 2017 to Proposed Fiscal Year 2018

Category	FY 2016 Actual	FY 2017 Approved	FY 2017 Estimated	FY 2018 Proposed	Change Amount	Percentage Change
Operating Expenses	\$ 391,848	\$ 390,000	\$ 390,000	\$ 390,000	\$ -	0.0%
Total	\$ 391,848	\$ 390,000	\$ 390,000	\$ 390,000	\$ -	0.0%

Operating Expenses

- The FY 2018 Proposed Budget for the Domestic Violence Fund is \$390,000, which is unchanged compared to the FY 2017 approved level. This fund consists of proposed revenue from the marriage license surcharge and a General Fund transfer. Revenue from the surcharge for FY 2018 is anticipated to be \$308,000. Funding in the amount of \$82,000 is expected to be transferred from the General Fund to the Domestic Violence Fund balance to sustain normal operations.
- Below is a breakdown of the Domestic Violence Fund (SR50):

Component	FY 2017 Approved	FY 2018 Proposed	\$ Change	% Change
Family Crisis Center	\$ 340,000	\$ 340,000	\$ -	0.0%
South County Initiative	25,000	25,000	-	0.0%
Emergency Fund	25,000	25,000	-	0.0%
Total	\$ 390,000	\$ 390,000	\$ -	0.0%

HIGHLIGHTS

- The Domestic Violence Fund supports the administrative operations of the Family Crisis Center and the operations of a client counseling and education training program at the Center.
- In FY 2018, the Department has included \$25,000 for a client Emergency Fund to support immediate relocation of victims.