



THE PRINCE GEORGE'S COUNTY GOVERNMENT

Office of Audits and Investigations

April 25, 2017

M E M O R A N D U M

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

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

FROM: Patrick Pope, Staff Auditor *PP*

RE: Department of Social Services –
Fiscal Year 2018 Budget Review

Budget Overview

The FY 2018 Proposed Budget for the Department of Social Services is \$21,185,200, an increase of \$735,100, or 3.6%, over the FY 2017 Approved Budget. The General Fund portion is proposed at \$4,494,700, an increase of \$712,900, or 18.9%, over the FY 2017 Approved Budget.

The Grant funded portion of the Department's budget is \$16,690,500, an increase of \$22,200. Grant funding represents 79% of the Department's total budget. The major sources of Grant funds in the FY 2018 Proposed Budget are the Welfare Reform – Work Opportunities grant, the TNI @School Project/Community Resource Advocates (CRA) project, and Interagency Family Preservation.

The Department expects to request a supplemental in the amount of \$500,000 in FY 2017 to support the Child Protective Education Unit.

Fund	FY 2016 Actual	FY 2017 Approved	FY 2017 Estimated	% Change - Est vs App	FY 2018 Proposed	\$ Change	% Change
General Fund	\$ 2,618,238	\$ 3,781,800	\$ 4,375,700	15.7%	\$ 4,494,700	\$ 712,900	18.9%
Grants	14,493,700	16,668,300	15,428,200	-7.4%	16,690,500	22,200	0.1%
Total	\$ 17,111,938	\$ 20,450,100	\$ 19,803,900	-3.2%	\$ 21,185,200	\$ 735,100	3.6%

Authorized Staffing - All Classifications

	FY 2017 Approved	FY 2018 Proposed	Change Amount	Percentage Change
General Fund	20	25	5	25.0%
Grants	184	204	20	10.9%
Total	204	229	25	12.3%

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	% Change
Compensation	\$ 1,214,688	\$ 1,938,500	\$ 2,168,000	\$ 2,353,900	\$ 415,400	21.4%
Fringe Benefits	322,129	433,600	435,600	480,200	46,600	10.7%
Operating Expenses	1,081,421	1,409,700	1,772,100	1,660,600	250,900	17.8%
Total	\$ 2,618,238	\$ 3,781,800	\$ 4,375,700	\$ 4,494,700	\$ 712,900	18.9%

Authorized Staffing Count - General Fund

	FY 2017 Approved	FY 2018 Proposed	Change Amount	Percentage Change
Full-Time	20	25	5	25.0%
Limited-Term	0	0	0	0.0%
Total	20	25	5	25.0%

Staffing Changes and Compensation

- General Fund compensation for FY 2018 will increase by \$415,500, or 21.4%, due to cost-of-living adjustments, merit increases, and state salary stipends, as well an increase in the staffing complement to support the Child Protective Education Unit.
- The FY 2018 Proposed General Fund authorized staffing level is 25 full-time positions, an increase of five (5) positions over the FY 2017 approved level.
- As of March 27, 2017, the Department reported fourteen (14) vacant General Fund positions. The Department is actively recruiting for eleven (11) of these positions. Of the three remaining vacancies, one will be funded and the other two will remain unfunded in FY 2018.
- In FY 2017, the Department had one (1) staff member, an Administrative Specialist I, assigned to the Office of the County Executive and one (1) staff member, a Community Developer, assigned to the Department of Family Services (DFS). The assignment to the Office of the County Executive will continue in FY 2018; however, the staff member assigned to DFS will not continue in FY 2018.
- In FY 2018, the Department reported that it will continue the assignment of five (5) positions from the Department of Family Services, with salaries totaling approximately \$194,740, for the Senior Care Program.

Fringe Benefits

- Fringe benefit expenditures are proposed to increase by \$46,600, or 10.7%, due to an increase in compensation.
- A five year trend analysis of fringe benefit expenditures is included below.

General Fund Fringe Benefits Historical Trend					
	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Estimated	FY 2018 Proposed
Fringe Benefit Expenditures	\$ 398,818	\$ 509,274	\$ 322,129	\$ 435,600	\$ 480,200
As a % of Compensation	18.9%	17.4%	26.5%	20.1%	20.4%
Annual % Change		27.7%	-36.7%	35.2%	10.2%

Operating Expenses

- FY 2018 operating expenses are proposed at \$1,660,600 and are comprised of the following major items:
 - Operating Contracts \$1,587,900
 - Telephone 16,300
 - General Office Supplies 14,000
 - Training 10,500
 - Office Automation 10,000
- Overall, operating expenses are increasing by \$250,900, or 17.8 %, over the approved FY 2017 level. The accompanying table compares the FY 2018 Proposed Budget operating expenditures with the FY 2017 Approved Budget operating expenditures. In five (5) of the categories, the FY 2018 Proposed Budget increases planned spending over the FY 2017 budget. In five (5) of the categories, the FY 2018 Proposed Budget level remains unchanged compared to the FY 2017 budget. Spending is proposed to decrease in one (1) category.

Operating Objects	FY 2017 Budget	FY 2018 Proposed	FY 2017 - FY 2018	
			\$ Change	% Change
Operating Contracts	\$ 1,342,700	\$ 1,587,900	\$ 245,200	18.3%
Advertising	3,000	6,000	3,000	100.0%
General Office Supplies	11,300	14,000	2,700	23.9%
Telephone	14,700	16,300	1,600	10.9%
Training	10,000	10,500	500	5.0%
Office Automation	10,000	10,000	-	0.0%
Office and Operating Equipment Non-Capital	7,400	7,400	-	0.0%
Travel - Nontraining	3,300	3,300	-	0.0%
Other Operating Equipment Repair/Maintenance	200	200	-	0.0%
General & Administrative Contracts	3,500	3,500	-	0.0%
Mileage Reimbursement	3,600	1,500	(2,100)	-58.3%
TOTAL	\$ 1,409,700	\$ 1,660,600	\$ 250,900	17.8%

- The most significant dollar increase between the FY 2018 Proposed Budget and the FY 2017 Approved Budget is in Operating Contracts, to support the Promise Place Youth Shelter and for other vendors providing homeless shelter operations.

Budget Comparison – Grant Funds

Approved Fiscal Year 2017 to Proposed Fiscal Year 2018

Category	FY 2016 Actual	FY 2017 Approved	FY 2017 Estimated	FY 2018 Proposed	\$ Change	% Change
Compensation	\$ 5,517,316	\$ 6,771,500	\$ 6,423,200	\$ 7,700,200	\$ 928,700	13.7%
Fringe Benefits	706,606	1,187,900	1,021,700	1,214,900	27,000	2.3%
Operating Expenses	8,269,778	9,455,900	8,730,300	8,522,400	(933,500)	-9.9%
Total	\$ 14,493,700	\$ 17,415,300	\$ 16,175,200	\$ 17,437,500	\$ 22,200	0.1%

Authorized Staffing Count - Grant Funds

	FY 2017 Approved	FY 2018 Proposed	Change Amount	Percentage Change
Full-Time	18	5	-13	-72.2%
Part-Time	0	0	0	0.0%
Limited Term	166	199	33	19.9%
Total	184	204	20	10.9%

Staffing Changes and Compensation

- Grant funded compensation is anticipated to increase by \$928,700, or 13.7%, above the approved FY 2017 level due to the increase in the staffing complement.
- In FY 2018, grant funding is provided for five (5) full-time and 199 limited-term grant funded (LTGF) positions, a net increase of 20 positions compared to FY 2017. The decrease of 13 full-time employees is primarily attributed to the shift within the Transforming Neighborhood Initiative (TNI) @School Community Resource Advocates (CRA) program to LTGF positions.
- As of March 2017, the Department reported 26 vacant LTGF positions. The positions will be filled on an “as needed” basis as grant funding becomes available.
- The Department’s staffing complement consists of both Maryland State and Prince George’s County employees. The Department reported that its staffing level includes 427 full-time and one (1) part-time State employees.

Highlights

- The Department partnered with the Office of the County Executive and PGCPS to implement the TNI@School Project and place DSS Community Resource Advocates in an additional 9 schools to bring the total outreach to 40 schools located in TNI neighborhoods. During the 2015-2016 school year, the CRA program served 1,144 students, and 1,566 students to date in the 2016-2017 school year. The program model continues to focus on increasing awareness and activity connecting students and families to a continuum of services.
- During FY 2017, the Department opened the Community Solutions Center, located at Southview Apartments in Oxon Hill. The model of services-enriched housing continuum (SEHC) represents an innovative and systemic approach to confronting the long-term needs of families caught in a cycle of instability. Since opening, the 1,400 unit apartment complex has provided services for 81 community members, 72 of which are Southview residents. Two job fairs featuring 18 employers were held, resulting in employment for five residents. Partners in this project include: Department of Family Services, Health Department, Prince George's Community College, Jobs Have Priority, EDSI Solutions, KRA Corporation, and the Memorial Library System.
- The Department established the Child Protective Services/Prince George's County School Investigative Unit to expedite investigations of employees and volunteers of the school system. The Department and the Prince George's County Public School System have held monthly meetings to determine and refine the process of investigating school staff and to ensure communication and best practices are followed. This unit will provide training on issues related to identifying and reporting of child abuse and neglect, including sexual abuse.
- The Department is working towards earning the Seal of Recognition as a "Leader in Supporting and Serving LGBT Youth and Families" through All Children – All Families (ACAF), a project of the Human Rights Campaign Foundation. ACAF promotes lesbian, gay, bisexual, transgender, and queer (LGBTQ) cultural competency among child welfare agencies through the use of an online agency tool, a baseline survey for staff, and comprehensive staff training.
- During FY 2017, Prince George's County was awarded funding as a connector entity, permitting the County to manage the local implementation of the Affordable Care Act (ACA) independently. Since the 2013 implementation of the ACA, Over 200,000 Prince Georgians obtained their health insurance through the Maryland Health Connection. The County has seen a reduction in the uninsured population by an estimated 40%, to only 76,300 residents. A great challenge to the ACA is the uncertainty of the program due to the current federal administration and their desire to repeal the current ACA model.
- The Department reported the following priorities for FY 2018:
 - Increase the safety and stability services including protective services, foster care, adoptions, and family preservation services.
 - Stabilize families and individuals in need through increased access to services resulting in an increase in the number of vulnerable eligible citizens achieving stability through integrated services.
 - Increase the focus on intervention for at-risk youth by assisting individuals, adults and families in achieving and maintaining permanence in the community.

- The Department's major grant program divisions for FY 2018 are:
 - Family Investment Division (\$7.9 million proposed) – decrease of \$30,700 below the FY 2017 budgeted level. These grants represent 45% of the Department's proposed grant funding.
 - Family Investment Administrative (FIA) program – The Department anticipates an increase of \$66,800 in FY 2018 funding compared to FY 2017. Funding is provided to hire additional staff to address timeliness issues relating to the processing of benefits for the Temporary Cash Assistance, Supplements Nutritional Assistance Program (formerly known as Food Stamps), Temporary Disability Assistance, and Medical Assistance Programs.
 - Foster Youth Summer Employment program – The Department anticipates a \$25,000 increase in funding in FY 2018. Funding will be used to provide foster and homeless youth with summer jobs.
 - The Welfare Reform - Work Opportunities grant is anticipated to decrease by \$122,500 in FY 2018. This grant is provided to support employment related assistance to clients of various benefit programs.
 - Affordable Care Act - Connector Program funding is anticipated to remain unchanged from the FY 2017 level. Funding is provided to continue the coordination of outreach activities to reach uninsured individuals and small businesses in the County.
 - Community Services Division (\$7.6 million proposed) – increase of \$2,400 over the FY 2017 budgeted level. These grants represent 44% of the Department's proposed grant funding.
 - Transforming Neighborhood Initiative (TNI) @ School Project / School Community Resource Advocates (CRA) – Grant is anticipated to be \$2,346,000 in FY 2018, a decrease of \$119,700. Funding is provided by the Prince George's County School system to place community resource coordinators in schools with the most challenging dynamics (academic performance, truancy, dropout rate) within TNI areas to provide wrap-a-round services to students and their families in order to improve student performance.
 - Office of Home Energy Programs (MEAP and EUSP) – Funding in the amount of \$1,509,400 is anticipated in FY 2018, an increase of \$313,600 compared to the FY 2017 approved level. Funding is provided to assist low-income families in meeting the high cost of winter energy bills.
 - Transitional Housing Program – Grant is anticipated to be \$1,149,300, a decrease of \$222,900 in FY 2018. This grant provides housing and supportive services for homeless individuals and families.
 - Child, Adult, & Family Services Division (\$1.2 million proposed) – increase of \$50,500 over the FY 2017 budgeted level. These grants represent 7% of the Department's proposed grant funding.
 - Anti-Trafficking Project – Grant is anticipated to be eliminated from the FY 2018 budget. The funding was a one-time grant that was awarded to the Department in FY 2017. The grant

provided funding for education, training, and promotional material related to the prevention of human trafficking.

- Interagency Family Preservation services account for \$1,065,000, or 92%, of this Division's funding, which allows the Department to provide short term, intensive in-home services for those families whose children are at imminent risk of an out-of-home placement.
- Child Protection Education Unit – The Department anticipates funding in the amount of \$30,500 in FY 2018. This program was not funded in FY 2017. Funding will be used for materials to educators who provide instruction to various groups in an effort to help identify cases of child abuse and neglect.