

Office of Management and Budget Fiscal Year 2022 Budget Review Summary

Proposed FY 2022 Operating Budget

Category	FY 2020 Actual	FY 2021 Budget	FY 2021 Estimate	FY 2022 Proposed	Change Amount	% Change
Compensation	\$ 2,138,305	\$ 2,299,400	\$ 2,104,900	\$ 2,277,500	\$ (21,900)	-1.0%
Fringe Benefits	591,317	662,200	585,800	640,900	\$ (21,300)	-3.2%
Operating Expenses	121,648	262,900	229,800	434,000	\$ 171,100	65.1%
Recoveries	(127,432)	(196,900)	(195,700)	(197,300)	\$ (400)	0.2%
Total	\$ 2,723,838	\$ 3,027,600	\$ 2,724,800	\$ 3,155,100	\$ 127,500	4.2%

Fund	FY 2021 Approved	FY 2022 Proposed	Change	% Change
General Fund	27	27	0	0.0%

FY 2022 Proposed Budget – Key Highlights

- Decrease in Compensation: Due to the removal of funding for two (2) vacant positions and a personal service contract (\$21,900).
- Decreased Fringe Benefits: Based on Compensation changes (\$21,300).
- Increased Operating Costs: Technology/Office Automation (\$182,900), Advertising (\$800) offset by decreases in other expense categories.
- Increased Recoveries (\$400) due to anticipated increases in compensation and fringe for staff related to budgeting and management functions of the Capital Improvement Program (CIP).
- Proposed FY 2022 Authorized general fund positions remain consistent with FY 2021 Approval level of 27 full-time positions.
- Vacancies (As of 4/5/21): 7 FT General Fund positions.
- To date, as of April 2021, the Office has lost three (3) employees to resignations. The Office reports a 15% attrition rate with most of its attrition due to individuals receiving new and promotional job opportunities.
- The SAP Budget and Planning module implementation is complete, and the Office continues to work with the SAP consultants to improve the functionality of the system. The FY 2022 proposed budget will be the third year of using the new system. As mentioned previously, the Office will continue to partner with the Office of Human Resource Management (OHRM) and other county agencies to update critical fiscal and HR data in SAP as well as working with the SAP team to make critical system and reporting improvements.
- Currently, there are two (2) analysts assigned to CountyStat. See *First Round Budget Response Q.22-23* for a complete listing of projects that the CountyStat team has worked on FY 2021.

Office's Key Strategic Initiatives for FY 2022

- Maintaining the County's General Fund balance at or above 7% of the General Fund budget;
- Increasing the percentage of programs in County Government's service delivery inventory with primary source data that is reported to a centralized warehouse; and
- Support the implementation of the Open Budget dashboards that will display and track department operating budgets to the County Executive's priority outcomes and respective performance measures.



THE PRINCE GEORGE'S COUNTY GOVERNMENT
Office of Audits and Investigations

May 6, 2021

MEMORANDUM

TO: Calvin S. Hawkins II, Chair
 Committee of the Whole (COW)

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

FROM: Larry Whitehurst Jr., Audit Manager *LW*

RE: Office of Management and Budget
 Fiscal Year 2022 Budget Review

Budget Overview

The FY 2022 Proposed Budget for the Office of Management and Budget is approximately \$3.2 million, an increase of \$127,500, or 4.2%, above the FY 2021 approved budget. The increase is primarily due to increases in technology allocation charges offset by decreases in compensation and fringe benefit costs. The Office of Management and Budget is funded entirely by the General Fund.

Budget Comparison - General Fund

Approved Fiscal Year 2021 to Proposed Fiscal Year 2022

Category	FY 2020 Actual	FY 2021 Approved	FY 2021 Estimated	% Change - Est vs App	FY 2022 Proposed	\$ Change	% Change
Compensation	\$ 2,138,305	\$ 2,299,400	\$ 2,104,900	-8.5%	\$ 2,277,500	\$ (21,900)	-1.0%
Fringe Benefits	591,317	662,200	585,800	-11.5%	640,900	(21,300)	-3.2%
Operating Expenses	121,648	262,900	229,800	-12.6%	434,000	171,100	65.1%
SubTotal	\$ 2,851,270	\$ 3,224,500	\$ 2,920,500	-9.4%	\$ 3,352,400	\$ 127,900	4.0%
Recoveries	(127,432)	(196,900)	(195,700)	-0.6%	(197,300)	(400)	0.2%
Total	\$ 2,723,838	\$ 3,027,600	\$ 2,724,800	-10.0%	\$ 3,155,100	\$ 127,500	4.2%

Authorized Staffing Count - General Fund

	FY 2021 Approved	FY 2022 Proposed	Change Amount	% Change
Full-Time	27	27	0	0.0%
Total	27	27	0	0.0%

Staffing Changes and Compensation

- In FY 2022, compensation is proposed to decrease by 21,900, or 1%, below the FY 2021 Approved Budget level due to the removal of funding for two (2) vacant positions and a personal service contract.
- The General Fund provides for 27 full-time positions in FY 2022, which is consistent with FY 2021 staffing level.
- As of April 5, 2021, the Office has six (6) vacant Budget Management Analyst positions and one vacant (1) Administrative Aide position. In FY 2021, the Office reports that three (3) individuals have resigned and its current year attrition rate is 15%.
- The Office currently has two (2) positions assigned to the County Executive’s Office on a full-time basis. The two filled positions, which are CountyStat staff members, are expected to continue in FY 2022.

Fringe Benefits

- Fringe Benefit expenditures for FY 2022 are proposed at \$640,900, which is a decrease of \$21,300, or 3.2%, below the FY 2021 Approved level due to anticipated compensation adjustments.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Estimate	FY 2022 Proposed
Compensation	\$ 2,102,734	\$ 2,114,331	\$ 2,138,305	\$ 2,104,900	\$ 2,277,500
Fringe Benefits Expenditures	\$573,394	\$600,193	\$591,317	\$585,800	\$640,900
As a % of Compensation	27.3%	28.4%	27.7%	27.8%	28.1%
% Change		4.7%	-1.5%	-0.9%	9.4%

Operating Expenses

- Proposed FY 2022 operating expenses increase by \$171,100, which is 65.1% over the FY 2021 Approved level. The increase is driven primarily by an increase in office automation charges.
- The following table compares the FY 2022 Proposed Operating expenditures with the FY 2021 Approved Operating expenditures. In four (4) of the categories, the FY 2022 Proposed Budget level is reduced when compared to the FY 2021 Approved budget level. In five (5) of the categories, the FY 2022 Proposed Budget level remains unchanged compared to the FY 2021 Approved budget level. In two (2) of the categories, there is an increase in planned spending in FY 2022.

Operating Objects	FY 2021 Budget	FY 2022 Proposed	FY 2021 - FY 2022	
			\$ Change	% Change
Office Automation	\$ 200,300	\$ 383,200	\$ 182,900	91.3%
Advertising	-	800	800	100.0%
Miscellaneous	3,000	3,000	-	0.0%
General Office Supplies	12,000	12,000	-	0.0%
Telephone	5,300	5,300	-	0.0%
Membership Fees	1,000	1,000	-	0.0%
Office and Operating Equipment Non-Capital	1,500	1,500	-	0.0%
Travel: Non-Training	7,500	6,000	(1,500)	-20.0%
Mileage Reimbursement	3,000	1,000	(2,000)	-66.7%
Printing	10,200	7,500	(2,700)	-26.5%
Training	19,100	12,700	(6,400)	-33.5%
TOTAL	\$ 262,900	\$ 434,000	\$ 171,100	65.1%

Recoveries

- In FY 2021, the Office is estimated to receive a total of \$195,700 in recoveries for employee salaries and fringe benefit expenditures related to budgeting and management functions of the Capital Improvement Program (CIP). In FY 2022, the Office anticipates receiving \$197,300 in recoveries for the same purpose, which is a slight increase when compared to the FY 2021 Approved budgeted amount in recoveries.

Highlights and Other Issues

- The pandemic caused the Office to revamp its processes in order to complete all of its work with a majority of the staff working remotely.
- The SAP Budget and Planning module implementation is complete, and the Office continues to work with the SAP consultants to improve the functionality of the system. The FY 2022 proposed budget will be the third year of using the new system. As mentioned previously, the Office will continue to partner with the Office of Human Resource Management (OHRM) and other county agencies to update critical fiscal and HR data in SAP as well as working with the SAP team to make critical system and reporting improvements.
- The CountyStat program was launched to deliver results through analysis, accountability, and innovation. Focusing on specific topics, CountyStat is able to ensure that the County is making measurable progress on important issues. Currently, there are two (2) analysts assigned to CountyStat. See *First Round Budget Response Q.22-23* for a complete listing of FY 2021 projects that the CountyStat team worked with County agencies on. Some of these projects include:
 - Coordinated the County's public facing COVID-19 response and vaccination plan;
 - Provided bi-weekly overtime summaries; and
 - Provided onsite training on various work platforms to help agencies improve workflows, better manage and leverage their operational data.

- The Office's top priorities in FY 2022 are as follows:
 - Maintaining the County's General Fund balance at or above 7% of the General Fund budget;
 - Increasing the percentage of programs in County Government's service delivery inventory with primary source data that is reported to a centralized warehouse; and
 - Support the implementation of the Open Budget dashboards that will display and track department operating budgets to the County Executive's priority outcomes and respective performance measures.