

**C81C**  
**Office of the Attorney General**

***Operating Budget Data***

(\$ in Thousands)

	<u>FY 17</u> <u>Actual</u>	<u>FY 18</u> <u>Working</u>	<u>FY 19</u> <u>Allowance</u>	<u>FY 18-19</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$18,738	\$18,782	\$18,735	-\$47	-0.3%
Adjustments	0	-201	134	335	
<b>Adjusted General Fund</b>	<b>\$18,738</b>	<b>\$18,581</b>	<b>\$18,869</b>	<b>\$287</b>	<b>1.5%</b>
Special Fund	10,458	9,421	11,240	1,819	19.3%
Adjustments	0	-78	48	126	
<b>Adjusted Special Fund</b>	<b>\$10,458</b>	<b>\$9,343</b>	<b>\$11,288</b>	<b>\$1,944</b>	<b>20.8%</b>
Federal Fund	3,320	3,543	3,623	80	2.3%
Adjustments	0	-41	24	65	
<b>Adjusted Federal Fund</b>	<b>\$3,320</b>	<b>\$3,502</b>	<b>\$3,647</b>	<b>\$145</b>	<b>4.1%</b>
Reimbursable Fund	5,233	5,889	5,701	-188	-3.2%
Adjustments	0	0	36	36	
<b>Adjusted Reimbursable Fund</b>	<b>\$5,233</b>	<b>\$5,889</b>	<b>\$5,737</b>	<b>-\$152</b>	<b>-2.6%</b>
<b>Adjusted Grand Total</b>	<b>\$37,749</b>	<b>\$37,316</b>	<b>\$39,541</b>	<b>\$2,225</b>	<b>6.0%</b>

Note: FY 18 Working includes targeted reversions, deficiencies, and across-the-board reductions. FY 19 Allowance includes contingent reductions and cost-of-living adjustments.

- The fiscal 2019 allowance for the Office of the Attorney General (OAG) increases by \$2.2 million, or 6.0%, above the fiscal 2018 working appropriation. This increase is attributable to an increase in special fund expenditures to support legislation enacted during the 2017 session.
- The general fund appropriation increases by \$287,062, or 1.5%. This increase is attributable to across-the-board adjustments for health insurance and a cost-of-living adjustment for State employees included in the Governor's budget plan.

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

For further information contact: Benjamin B. Wilhelm

Phone: (410) 946-5530

## ***Personnel Data***

	<b><u>FY 17 Actual</u></b>	<b><u>FY 18 Working</u></b>	<b><u>FY 19 Allowance</u></b>	<b><u>FY 18-19 Change</u></b>
Regular Positions	264.50	264.50	264.50	0.00
Contractual FTEs	<u>19.90</u>	<u>19.90</u>	<u>41.85</u>	<u>21.95</u>
<b>Total Personnel</b>	<b>284.40</b>	<b>284.40</b>	<b>306.35</b>	<b>21.95</b>

### ***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New Positions	19.31	7.30%
Positions and Percentage Vacant as of 12/31/17	33.00	12.48%

- The fiscal 2019 allowance includes 264.5 regular positions, the same as the fiscal 2018 working appropriation.
- The fiscal 2019 allowance also includes 41.85 contractual full-time equivalents (FTE), a net increase of 21.95 FTEs above the fiscal 2018 working appropriation. One FTE is eliminated for foreclosure prevention activity as part of the winding down of the Mortgage Settlement Fund, and a 0.05 FTE is eliminated in Legal Advice and Counsel. Twenty-three FTEs are added for the following purposes:
  - 15 FTEs in the Securities Division for Chapters 837 and 838 of 2017 (Maryland Securities Act – Vulnerable Adults);
  - 5 FTEs for Chapter 26 of 2017 (Maryland Defense Act);
  - 2 FTEs in the Consumer Protection Division for opioid-related activities; and
  - 1 FTE in the Consumer Protection Division for consumer protection activities.
- Turnover expectancy is set at 7.3%, which will require 19.31 vacancies. As of December 31, 2017, OAG had a total of 33 vacancies, for a vacancy rate of 12.48%.

## *Analysis in Brief*

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### **Major Trends**

***Large Settlements Drive Increased Consumer Recoveries:*** In fiscal 2017, OAG helped consumers recover \$23.6 million in complaints against businesses for fraud and other deceptive practices. This is an unusually large amount for a single fiscal year and was driven by the resolution of suits against Volkswagen and Moody's.

***Lower Collections for the Medicaid Fraud Control Unit:*** The Medicaid Fraud Control Unit's collections fell to \$3.9 million in fiscal 2017, a decrease of \$6.2 million from fiscal 2016. These recoveries are volatile and largely depend on the nature and volume of complaints received by OAG. The number of cases in fiscal 2017 in which criminal charges were filed and that were settled in civil court both increased over fiscal 2016.

***Mortgage Settlement Program Activity Begins to Wind Down:*** In fiscal 2016, OAG finished disbursing most of the direct aid and grants programmed for the Mortgage Settlement Fund. Since those funds were expended, OAG has continued, with the remaining balance in the fund, to pursue consumer protection and securities investigations related to mortgage and foreclosure practices in the State.

### **Issues**

***Maryland Defense Act:*** Chapter 26 of 2017 (Maryland Defense Act) authorized the Attorney General to pursue actions against the federal government when the Attorney General deems that there is a threat to the public interest or welfare of residents of the State. According to a report issued in December 2017, OAG is involved in or planning litigation on at least 20 distinct issues. The Maryland Defense Act also requires the Governor to provide \$1 million in the annual budget to fund 5 attorneys in OAG to support Maryland Defense Act activity. In the fiscal 2019 allowance, the Governor has provided \$1 million from the Consumer Protection Recoveries (CPR) Fund for this purpose. While there is a sufficient balance in the CPR Fund to cover these expenditures in fiscal 2019, it is unlikely that this practice could be sustained going forward. **The Department of Legislative Services recommends that, if it is the will of the General Assembly to maintain the mandated appropriation for the Maryland Defense Act after fiscal 2019, legislation should be introduced to direct that the appropriation be made from the General Fund or an alternative source that is more sustainable than the CPR Fund.**

### **Operating Budget Recommended Actions**

1. Concur with Governor's allowance.



**C81C**  
**Office of the Attorney General**

***Operating Budget Analysis***

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**Program Description**

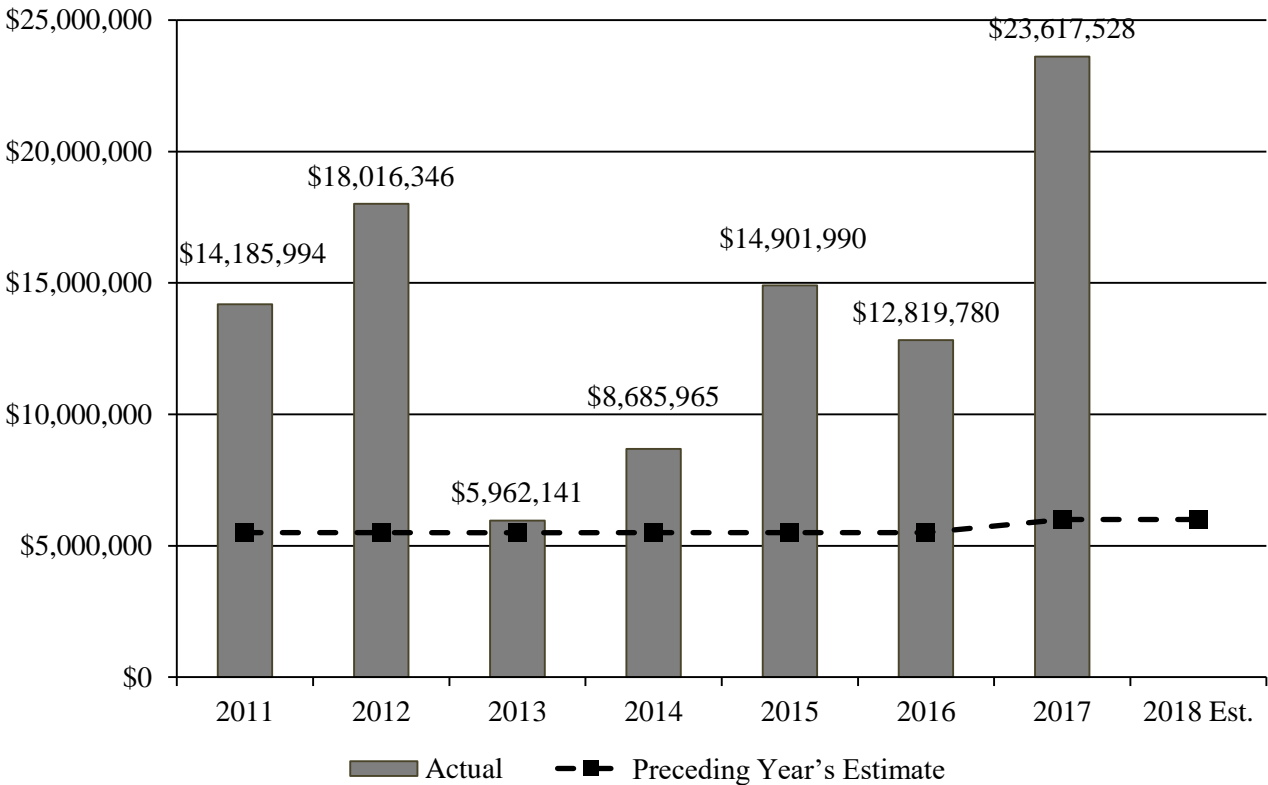
The Attorney General acts as legal counsel to the Governor; the General Assembly; the Judiciary; and all departments, boards, and commissions (except the Commission on Civil Rights, the Public Service Commission, and the State Ethics Commission). The Office of the Attorney General (OAG) represents the State in all matters of interest to the State, including civil litigation and criminal appeals in all State and federal courts. The office also reviews legislation passed by the General Assembly prior to consideration by the Governor. The office is currently supported by 13 divisions: Legal Counsel and Advice; Securities; Consumer Protection; Anti-trust; Medicaid Fraud Control; Civil Litigation; Criminal Appeals; Criminal Investigation; Educational Affairs; Correctional Litigation; Contract Litigation; People’s Insurance Counsel; and the Juvenile Justice Monitoring Unit. The office is also currently overseeing the expenditures of the Mortgage Loan Servicing Practices Settlement Fund.

**Performance Analysis: Managing for Results**

**1. Large Settlements Drive Increased Consumer Recoveries**

The Consumer Protection Division of OAG assists citizens by providing mediation and arbitration service to consumers to help resolve complaints against businesses and health insurance carriers. As shown in **Exhibit 1**, OAG recovered \$23.6 million in restitution in fiscal 2017. This is a \$10.8 million increase over fiscal 2016; recoveries are volatile and depend upon the size and composition of the caseload. Additionally, restitution is sometimes paid directly to the affected consumers and State recoveries may be restricted to consumer protection activities at OAG. As such, the amount of restitution received by consumers can be volatile from year to year. OAG has also noted that it is challenging to predict both the timing of settlements and the amounts that will be recovered. For these reasons, OAG sets a conservative goal for such recoveries of \$6 million.

**Exhibit 1**  
**Consumer Protection Division**  
**Consumer Recoveries**  
**Fiscal 2011-2018 Est.**

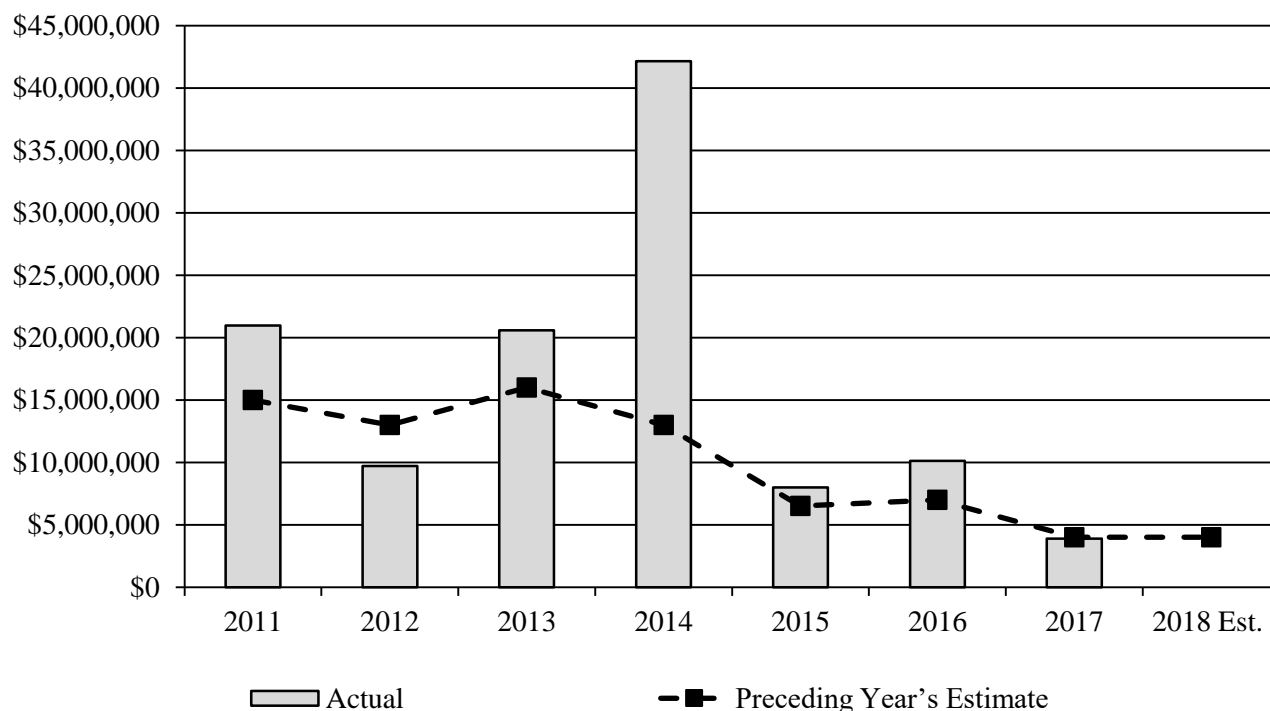


Source: Department of Budget and Management

**2. Lower Collections for the Medicaid Fraud Control Unit**

The Medicaid Fraud Control Unit (MCFU) is charged with investigating and prosecuting Medicaid provider fraud as well as cases of abuse and neglect of vulnerable adults. In fiscal 2017, there were 208 new cases brought to MCFU, down from 345 in fiscal 2016. However, MCFU opened 115 fraud cases, 8 more than in fiscal 2016. As shown in **Exhibit 2**, collections were down significantly in fiscal 2017, falling from \$10.1 million to \$3.9 million. Like consumer protection recoveries, MCFU recoveries are difficult to predict and depend upon the nature of individual cases. In addition, there were criminal charges filed in 13 cases, and civil settlements were reached in 26 cases, both increases over fiscal 2016.

**Exhibit 2**  
**Medicaid Fraud Control Unit**  
**Fines and Collections**  
**Fiscal 2011-2018 Est.**



Source: Department of Budget and Management

### 3. Mortgage Settlement Program Activity Begins to Wind Down

In February 2012, a national settlement was announced between 49 states, the District of Columbia, and the nation’s five largest mortgage servicers: Bank of America, JP Morgan Chase, Wells Fargo, Citigroup, and Ally Bank (formerly General Motors Acceptance Corporation). Maryland’s share of the Mortgage Loan Servicing Practices Settlement was just under \$60 million to be used by the State to fund foreclosure prevention programs.

While most of the funds were granted to local governments or transferred to other State agencies quickly, there was at least \$15.7 million left in the fund at the start of fiscal 2016. As shown in **Exhibit 3**, OAG largely disbursed those funds, which were used to support a surge in housing assistance programming.

**Exhibit 3**  
**Mortgage Foreclosure Settlement Program Activity**  
**Fiscal 2014-2017**  
**(\$ in Thousands)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Mortgage Settlement Fund Dispersals</b>				
Homes Rehabilitated	18	72	68	17
Homes Demolished	57	113	230	0
New Homeowners Assisted	247	204	420	29
Grant Payments	\$1,888	\$3,606	\$12,225	\$2,261
<b>Mortgage Settlement Program Activity</b>				
Complaints Addressed	273	194	69	50
Consumer Protection Investigations	34	21	23	12
Securities Investigations	2	1	3	5
Actions and Settlements	6	15	9	10

Source: Department of Budget and Management

As expected, the number of homebuyers receiving direct assistance declined in fiscal 2017, as program spending began to wind down. However, because there was still a balance of \$3.7 million in accrued interest available in the Mortgage Settlement Fund at the end of fiscal 2017, the fiscal 2019 allowance includes \$464,085 in expenditures from the fund to support 5 contractual full-time equivalents (FTE). OAG is using these funds to fund consumer protection and securities investigations, and those activities continued in fiscal 2017, with a total of 17 investigations and 10 actions and settlements.

## **Fiscal 2018 Actions**

### **Across-the-board Employee and Retiree Health Insurance Reduction**

The budget bill includes an across-the-board reduction for employee and retiree health insurance in fiscal 2018 to reflect a surplus balance in the fund. This agency's share of this reduction is \$200,543 in general funds, \$77,939 in special funds, and \$40,933 in federal funds.



**Proposed Budget**

As shown in **Exhibit 4**, the fiscal 2019 allowance for OAG increases by \$2.2 million, or 6%, over the fiscal 2018 working appropriation. This includes a general fund increase of \$287,062, or 1.5%, over the working appropriation. This increase is largely attributable to additional responsibilities for the agency pursuant to legislation enacted during the 2017 session.

**Exhibit 4  
Proposed Budget  
Office of the Attorney General  
(\$ in Thousands)**

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
<b>How Much It Grows:</b>					
Fiscal 2017 Actual	\$18,738	\$10,458	\$3,320	\$5,233	\$37,749
Fiscal 2018 Working Appropriation	18,581	9,343	3,502	5,889	37,316
Fiscal 2019 Allowance	<u>18,869</u>	<u>11,288</u>	<u>3,647</u>	<u>5,737</u>	<u>39,541</u>
Fiscal 2018-2019 Amount Change	\$287	\$1,944	\$145	-\$152	\$2,225
Fiscal 2018-2019 Percent Change	1.5%	20.8%	4.1%	-2.6%	6.0%
<b>Where It Goes:</b>					
<b>Personnel Expenses</b>					
Employee and retiree health insurance .....					\$319
Cost-of-living adjustment .....					242
Workers’ compensation premium assessment .....					24
Employee compensation .....					-22
Pensions .....					-22
Other fringe benefit adjustments .....					14
<b>Other Changes</b>					
Maryland Securities Act.....					1,271
Maryland Defense Act .....					1,000
3 new contractual FTEs in Consumer Protection Division, including 2 for opioid-related activities.....					212
Other changes.....					87
Agency costs for new case management system.....					-300
Tobacco litigation .....					-600
<b>Total</b>					<b>\$2,225</b>

FTE: full-time equivalent

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

## **General Salary Increase**

The fiscal 2019 allowance includes funds for a 2% general salary increase for all State employees, effective January 1, 2019. These funds are budgeted in the Department of Budget and Management's statewide program and will be distributed to agencies during the fiscal year. This agency's share of the general salary increase is \$134,010 in general funds, \$47,663 in special funds, \$24,228 in federal funds, and \$36,453 in reimbursable funds. In addition, employees will receive another 0.5% increase and a \$500 bonus effective April 1, 2019, if actual fiscal 2018 general fund revenues exceed the December 2017 estimate by \$75 million. These funds have not been budgeted. The Administration will need to process a deficiency appropriation if revenues are \$75 million more than projected.

## **Personnel**

Personnel expenditures increase by \$555,325. This increase is largely attributable to the across-the-board health insurance adjustment (\$319,415) and the general salary increase for State employees (\$242,354). These increases are offset by declines for compensation (\$22,233) and pensions (\$22,469).

## **Other Changes**

The most consequential changes in the fiscal 2019 allowance occur outside of personnel. There is an increase of \$1.3 million in special funds from the newly created Securities Act Registration Fund. These funds will be used to support 15 contractual FTEs based on the agency's additional responsibilities under Chapters 837 and 838 of 2017. There is also an increase of \$1 million from the Consumer Protection Recoveries (CPR) Fund to meet the mandate established in Chapter 26 of 2017 (The Maryland Defense Act) and \$211,534 to support 3 new contractual FTEs in the Consumer Protection Division (CPD) for opioid and general consumer protection related activities.

These increases are offset by reductions to the appropriation from the Cigarette Restitution Fund to support litigation related to the Tobacco Master Settlement Agreement (\$600,000) and for a new case management system (\$300,000).

## ***Issues***

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### **1. Maryland Defense Act**

Chapter 26 of 2017 (Maryland Defense Act) authorized OAG to respond to action or inaction by the federal government that the Attorney General deems to be a threat to the public interest and welfare of residents of the State. The Maryland Defense Act mandates that the Governor appropriate \$1 million to authorize 5 attorneys for this purpose.

Additionally, the Attorney General is required to provide the Governor and the Legislative Policy Committee with an annual report on all actions taken under the Act. When OAG submitted this report in December 2017, it enumerated 20 separate legal controversies upon which it had:

- filed suit;
- joined an ongoing action against the federal government; or
- planned to file suit.

The subjects of these suits include a number of actions related to environmental protection, consumer protection rules, health care, immigration policy, and net neutrality. In addition, the State is a lead plaintiff in a suit asserting that the President has violated the Emoluments Clause of the United States Constitution. Since the report was filed, OAG has agreed to participate in another case challenging the validity of the federal Tax Cuts and Jobs Act.

### **CPR Fund**

In order to fulfill the mandate included in the Maryland Defense Act, the Governor's budget allocates \$1 million from the CPR Fund and authorizes 5 contractual FTEs. This allocation fulfills the Governor's obligation under the Act, which does not specify a particular fund source. Additionally, there is a sufficient unappropriated balance in the CPR Fund to cover this expenditure without impacting programmed expenditures in CPD for fiscal 2019.

However, it is unlikely that this expenditure could be sustained for more than one or two budget cycles. **Exhibit 5** provides the recent history of the revenues and expenditures of the fund as well as a projection of future activity. As previously discussed, consumer protection recoveries are highly volatile and depend upon the nature and outcome of particular cases. This volatility is reflected in the recoveries line of Exhibit 5.

**Exhibit 5**  
**Consumer Protection Recoveries Fund**  
**Fiscal 2015-2020 Est.**  
**(\$ in Thousands)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018 Est.</u>	<u>2019 Est.</u>	<u>2020 Est.<sup>1</sup></u>
<b>Beginning Balance</b>	\$8,125	\$6,600	\$7,267	\$10,232	\$10,024	\$4,659
<b>Recoveries<sup>2</sup></b>	\$2,495	\$4,626	\$7,807	\$4,750	\$857	\$4,471
<b>Total Available</b>	\$10,620	\$11,226	\$15,073	\$14,982	\$10,881	\$9,130
<b>Expenditures</b>						
Consumer Protection	\$4,020	\$3,959	\$4,842	\$4,957	\$5,223	\$5,223
MD Defense Act					1,000	1,000
<b>Ending Balance</b>	\$6,600	\$7,267	\$10,232	\$10,024	\$4,659	\$2,907

<sup>1</sup> Fiscal 2020 is a Department of Legislative Services estimate based on recoveries equal to the average of fiscal 2017 to 2019 estimated recoveries and the fiscal 2019 spending plan.

<sup>2</sup> Includes only those recoveries that were actually deposited and retained in the Consumer Protection Recoveries Fund.

Source: Office of the Attorney General; Department of Legislative Services

The fact that the State has been able to fund CPD with recoveries rather than general funds is a valuable ancillary benefit of CPD’s operations and makes it easier for OAG to vigorously pursue such cases. However, generating revenue for the State is not the purpose of CPD. CPD’s activities are focused on protecting consumers from businesses engaging in unfair or deceptive trade practices, and the budget for CPD is calculated based on the staff needed to provide those services, not the balance in the CPR Fund.

Based on the projections outlined in Exhibit 5, there is a sufficient balance in the fund to maintain current operations for CPD and fund the Maryland Defense Act appropriation in fiscal 2019, but not necessarily beyond. The Department of Legislative Services (DLS) projects that if the fund has a typical year for recoveries in fiscal 2020 (an average of the actual and estimated revenues from fiscal 2017 to 2019) then the fund would maintain a positive balance at the end of fiscal 2020. This outcome, though, is by no means guaranteed, and even one year with below average recoveries would put the fund under water.

Even if the CPR Fund receives typical recoveries each year going forward, though, it is still in a precarious position. Expenditures from the fund in fiscal 2019 are programmed at \$6.2 million, which exceeds the recent average for annual recoveries by \$1.8 million. Therefore, while there is capacity in the CPR Fund to absorb these extra expenditures in fiscal 2019, and perhaps fiscal 2020, this is accomplished by undermining the fund’s longer term health and would likely necessitate the provision of general funds for CPD and the Maryland Defense Act mandate in the near future.

**DLS recommends that, if it is the will of the General Assembly to maintain the mandated appropriation for the Maryland Defense Act after fiscal 2019, legislation should be introduced to direct that the appropriation be made from the General Fund or an alternative source that is more sustainable than the CPR Fund.**

## ***Operating Budget Recommended Actions***

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1. Concur with Governor's allowance.

**Appendix 1**  
**Current and Prior Year Budgets**  
**Office of the Attorney General**  
**(\$ in Thousands)**

	<b><u>General</u> <u>Fund</u></b>	<b><u>Special</u> <u>Fund</u></b>	<b><u>Federal</u> <u>Fund</u></b>	<b><u>Reimb.</u> <u>Fund</u></b>	<b><u>Total</u></b>
<b>Fiscal 2017</b>					
Legislative Appropriation	\$18,552	\$10,693	\$3,573	\$5,362	\$38,181
Deficiency Appropriation	0	600	0	0	600
Cost Containment	0	0	0	0	0
Budget Amendments	238	368	305	504	1,415
Reversions and Cancellations	-53	-1,203	-558	-633	-2,447
<b>Actual Expenditures</b>	<b>\$18,738</b>	<b>\$10,458</b>	<b>\$3,320</b>	<b>\$5,233</b>	<b>\$37,749</b>
<b>Fiscal 2018</b>					
Legislative Appropriation	\$18,782	\$9,421	\$3,543	\$5,889	\$37,635
Cost Containment	0	0	0	0	0
Budget Amendments	0	0	0	0	0
<b>Working Appropriation</b>	<b>\$18,782</b>	<b>\$9,421</b>	<b>\$3,543</b>	<b>\$5,889</b>	<b>\$37,635</b>

Note: The fiscal 2018 appropriation does not include deficiencies, targeted reversions, or across-the-board reductions. Numbers may not sum to total due to rounding.

## **Fiscal 2017**

Actual expenditures for the Office of the Attorney General were \$37.7 million, \$431,955 below the legislative appropriation. This decrease is largely attributable to the cancellation of unspent funds partially offset by a deficiency appropriation adding \$600,000 in special funds and budget amendments adding a total of \$1.4 million.

### **General Funds**

General fund expenditures were \$185,594 above the legislative appropriation due to a budget amendment that added \$238,481 for employee increments and partially offset by the reversion of \$52,887 in unspent funds.

### **Special Funds**

Actual special fund expenditures were \$234,404 below the legislative appropriation. This decrease is driven largely by the cancellation of \$1.2 million in unspent funds. These funds are largely from the Cigarette Restitution Fund (CRF) and Mortgage Settlement Fund and are expected to be expended as needed. This decrease is partially offset by the following adjustments:

- a \$600,000 deficiency appropriation from the CRF to support tobacco litigation;
- a budget amendment to increase the appropriation from the Mortgage Settlement Fund by \$260,900 to support grants to Baltimore City and Prince George's County;
- \$76,741 for employee increments added by budget amendment;
- a budget amendment adding \$21,000 for the Thurgood Marshall Opportunity Program; and
- two budget amendments adding \$10,000 total for the Victim and Witness Relocation Fund.

### **Federal Funds**

Federal fund expenditures were \$253,613 below the legislative appropriation. This decrease was due to the cancellation of \$558,291 in unspent funds, mostly in the Medicaid Fraud Control Unit. This decrease was partially offset by the following budget amendments:

- \$163,600 to support a State partnership with the United States Drug Enforcement Agency;
- \$94,220 for the Health Education and Advocacy Unit; and
- \$46,858 for employee increments.



## **Reimbursable Funds**

Reimbursable fund expenditures finished \$129,532 below the legislative appropriation. The decline is attributable to the cancellation of \$633,079 in unspent funds. This decrease is partially offset by three budget amendments, with a total impact of \$503,547:

- \$255,311 for gun violence and prison gang reduction programs;
- \$175,000 for the Health Education and Advocacy Unit; and
- \$73,236 for violence reduction programs.

## **Fiscal 2018**

To date, there have been no actions impacting the fiscal 2018 legislative appropriation.

**Appendix 2**  
**Major Information Technology Projects**  
**Office of the Attorney General**  
**Case Management Replacement**

<b>Project Status</b>	Implementation.	<b>New/Ongoing Project:</b>	New.					
<b>Project Description:</b>	New case management system to replace 15-year-old system.							
<b>Project Business Goals:</b>	Replace obsolete system with new web-based system that functions with all of the Office of the Attorney General's (OAG) business processes while adding capacity to access systems away from the office.							
<b>Estimated Total Project Cost:</b>	\$3,900,000	<b>Estimated Planning Project Cost:</b>	\$600,000					
<b>Project Start Date:</b>	July 2016.	<b>Projected Completion Date:</b>	n/a.					
<b>Schedule Status:</b>	A Request for Proposals (RFP) was issued in 2017, and a winning bidder has been selected. The project request was issued and approved in January 2018, and OAG is moving forward to implementation with the winning bidder.							
<b>Cost Status:</b>	Total estimated project cost is \$3.9 million, of which \$1.4 million was appropriated in fiscal 2017 and 2018. The fiscal 2019 allowance is \$725,000.							
<b>Scope Status:</b>	n/a.							
<b>Project Management Oversight Status:</b>	Department of Information Technology oversight established.							
<b>Identifiable Risks:</b>	The principle risks identified by the agency are related to the acceptance of new business processes by staff attorneys whose work is typically self-directed. Staff who do not wish to adapt to new systems may resist implementation.							
<b>Additional Comments:</b>	This project is being implemented alongside a new case management system for the Office of the Public Defender. OAG led project planning for the overall project, and the two portions were presented in a single RFP.							
<b>Fiscal Year Funding (\$ in Thousands)</b>	<b>Prior Years</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>Balance to Complete</b>	<b>Total</b>
Personnel Services	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Professional and Outside Services	1.375	0.725	0.600	0.600	0.600	0.0	2.525	3.900
Other Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Funding</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

**Appendix 3  
Object/Fund Difference Report  
Office of the Attorney General**

<u>Object/Fund</u>	<u>FY 17 Actual</u>	<u>FY 18 Working Appropriation</u>	<u>FY 19 Allowance</u>	<u>FY 18 - FY 19 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	264.50	264.50	264.50	0.00	0%
02 Contractual	19.90	19.90	41.85	21.95	110.3%
<b>Total Positions</b>	<b>284.40</b>	<b>284.40</b>	<b>306.35</b>	<b>21.95</b>	<b>7.7%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 28,193,190	\$ 28,726,369	\$ 28,719,925	-\$ 6,444	0%
02 Technical and Spec. Fees	1,124,134	1,416,982	3,070,301	1,653,319	116.7%
03 Communication	183,638	285,225	280,605	-4,620	-1.6%
04 Travel	191,929	112,329	136,189	23,860	21.2%
07 Motor Vehicles	149,401	158,292	173,780	15,488	9.8%
08 Contractual Services	2,187,679	3,398,492	3,290,816	-107,676	-3.2%
09 Supplies and Materials	408,836	431,344	379,171	-52,173	-12.1%
11 Equipment – Additional	76,629	58,318	90,798	32,480	55.7%
12 Grants, Subsidies, and Contributions	2,673,563	445,293	451,145	5,852	1.3%
13 Fixed Charges	2,559,940	2,602,452	2,705,512	103,060	4.0%
<b>Total Objects</b>	<b>\$ 37,748,939</b>	<b>\$ 37,635,096</b>	<b>\$ 39,298,242</b>	<b>\$ 1,663,146</b>	<b>4.4%</b>
<b>Funds</b>					
01 General Fund	\$ 18,738,059	\$ 18,782,042	\$ 18,734,551	-\$ 47,491	-0.3%
03 Special Fund	10,458,365	9,421,322	11,240,160	1,818,838	19.3%
05 Federal Fund	3,319,761	3,543,046	3,622,925	79,879	2.3%
09 Reimbursable Fund	5,232,754	5,888,686	5,700,606	-188,080	-3.2%
<b>Total Funds</b>	<b>\$ 37,748,939</b>	<b>\$ 37,635,096</b>	<b>\$ 39,298,242</b>	<b>\$ 1,663,146</b>	<b>4.4%</b>

Note: The fiscal 2018 appropriation does not include deficiencies, targeted reversions, or across-the-board reductions. The fiscal 2019 allowance does not include contingent reductions or cost-of-living adjustments.

**Appendix 4  
Fiscal Summary  
Office of the Attorney General**

<u>Program/Unit</u>	<u>FY 17 Actual</u>	<u>FY 18 Wrk Approp</u>	<u>FY 19 Allowance</u>	<u>Change</u>	<u>FY 18 - FY 19 % Change</u>
01 Legal Counsel and Advice	\$ 9,033,503	\$ 9,480,736	\$ 9,641,222	\$ 160,486	1.7%
04 Securities Division	2,843,680	2,762,915	3,955,868	1,192,953	43.2%
05 Consumer Protection Division	6,735,762	6,972,583	7,224,875	252,292	3.6%
06 Antitrust Division	812,731	908,768	909,991	1,223	0.1%
09 Medicaid Fraud Control Unit	4,294,379	4,724,316	4,828,931	104,615	2.2%
10 People's Insurance Counsel Division	523,890	600,293	630,098	29,805	5.0%
12 Juvenile Justice Monitoring Program	517,388	607,699	602,798	-4,901	-0.8%
14 Civil Litigation Division	2,787,597	3,211,737	3,254,067	42,330	1.3%
15 Criminal Appeals Division	3,052,935	2,930,778	2,958,451	27,673	0.9%
16 Criminal Investigation Division	1,972,542	1,849,579	1,748,412	-101,167	-5.5%
17 Educational Affairs Division	269,177	361,339	357,067	-4,272	-1.2%
18 Correctional Litigation Division	513,104	592,327	591,878	-449	-0.1%
20 Contract Litigation Division	2,003,893	2,124,506	2,130,499	5,993	0.3%
21 Mortgage Foreclosure Settlement Program	2,388,358	507,520	464,085	-43,435	-8.6%
<b>Total Expenditures</b>	<b>\$ 37,748,939</b>	<b>\$ 37,635,096</b>	<b>\$ 39,298,242</b>	<b>\$ 1,663,146</b>	<b>4.4%</b>
General Fund	\$ 18,738,059	\$ 18,782,042	\$ 18,734,551	-\$ 47,491	-0.3%
Special Fund	10,458,365	9,421,322	11,240,160	1,818,838	19.3%
Federal Fund	3,319,761	3,543,046	3,622,925	79,879	2.3%
<b>Total Appropriations</b>	<b>\$ 32,516,185</b>	<b>\$ 31,746,410</b>	<b>\$ 33,597,636</b>	<b>\$ 1,851,226</b>	<b>5.8%</b>
Reimbursable Fund	\$ 5,232,754	\$ 5,888,686	\$ 5,700,606	-\$ 188,080	-3.2%
<b>Total Funds</b>	<b>\$ 37,748,939</b>	<b>\$ 37,635,096</b>	<b>\$ 39,298,242</b>	<b>\$ 1,663,146</b>	<b>4.4%</b>

Note: The fiscal 2018 appropriation does not include deficiencies, targeted reversions, or across-the-board reductions. The fiscal 2019 allowance does not include contingent reductions or cost-of-living adjustments.