

W10A00
Department of State Police

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>
General Fund	\$246,745	\$177,557	\$191,249	\$13,692	7.7%
Contingent & Back of Bill Reductions	0	0	-1,401	-1,401	
Adjusted General Fund	\$246,745	\$177,557	\$189,848	\$12,291	6.9%
Special Fund	64,405	70,327	74,968	4,641	6.6%
Contingent & Back of Bill Reductions	0	0	-59	-59	
Adjusted Special Fund	\$64,405	\$70,327	\$74,908	\$4,582	6.5%
Federal Fund	3,025	3,069	11,595	8,526	277.8%
Adjusted Federal Fund	\$3,025	\$3,069	\$11,595	\$8,526	277.8%
Reimbursable Fund	2,553	6,429	9,859	3,430	53.3%
Adjusted Reimbursable Fund	\$2,553	\$6,429	\$9,859	\$3,430	53.3%
Adjusted Grand Total	\$316,727	\$257,383	\$286,211	\$28,828	11.2%

- The fiscal 2010 allowance increases by \$28,828,163, or 11.2%, when funds are adjusted for contingent and across-the-board reductions.
- The increase in the budget is largely attributed to personnel expenditures and anticipated grant funds.

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

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Personnel Data

	FY 08 <u>Actual</u>	FY 09 <u>Working</u>	FY 10 <u>Allowance</u>	FY 09-10 <u>Change</u>
Regular Positions	2,457.50	2,440.50	2,418.50	-22.00
Contractual FTEs	<u>33.62</u>	<u>33.67</u>	<u>33.77</u>	<u>0.10</u>
Total Personnel	2,491.12	2,474.17	2,452.27	-21.90

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	176.69	7.24%
Positions and Percentage Vacant as of 12/31/08	180.00	7.38%

- Across-the-board reductions reduce the agency’s regular position complement by 22.
- Turnover expectancy is increased from 4.72 to 7.24%.
- As of December 31, 2008, the vacancy rate was 7.38%. Forty of these vacancies have subsequently been filled, thereby, reducing the vacancy rate to 5.74%.

Analysis in Brief

Major Trends

Maryland's Crime Rate Declines in 2007: Although Maryland's crime rate exceeds the national average, crime throughout the State has declined in the last 10 years by 3% annually.

Maryland's Murder Rate Exceeds National Average: In calendar 2007, Maryland's crime rate for murder of 9.8 offenses per 100,000 persons far exceeded the national average of 5.6 murders per 100,000 persons.

Motor Vehicle Citations Decline in Calendar 2008: The number of citations issued by the department declined by approximately 40,000, or 9%, in calendar 2008.

Issues

Medevac Replacement: Medevac operations began in Maryland in 1970 with a limited fleet of single engine Bell "Jet Ranger" helicopters. The life expectancy of the airframes was not certain when originally purchased; therefore, beginning in the late 1990s, a number of studies were conducted to determine the optimal time for replacing the fleet. An August 2008 performance audit conducted by the Office of Legislative Audits disclosed a number of issues pertaining to the efficiency and effectiveness of the Maryland State Police Aviation Command's (MSPAC) operations. Nearly one month following the audit's release, a fatal helicopter crash occurred in Prince George's County. Following the crash, new protocols were implemented to determine whether an injured patient is airlifted to a trauma center. In November 2008, a panel of national experts convened to review and make recommendations regarding Maryland's emergency transport protocol. The panel recommended that all Medevac operations be conducted under Part 135 of the Federal Aviation Administration regulations; MSPAC take the necessary steps to achieve accreditation by the Commission for the Accreditation of Medical Transport Systems; and that Maryland evaluate the number of helicopters and bases needed for helicopter emergency medical services in Maryland. The fiscal 2010 capital budget includes \$40 million in general obligation bonds for the procurement of two new helicopters. **In order to avoid procuring different versions of helicopter, the Department of Legislative Services (DLS) recommends that the State purchase three helicopters per year beginning in fiscal 2010. The decision to purchase at least nine helicopters over the next three fiscal years would not only permit additional study and analysis of helicopter usage, but would give the State the option of purchasing additional helicopters (of the same version) in fiscal 2013 if it is determined that additional helicopters are needed.**

Surveillance by State Police: In July 2008, it became publicly known that the Department of State Police (DSP) had engaged in covert surveillance of peaceful anti-death penalty and anti-war groups. In July 2008, the Governor appointed former Attorney General Stephen H. Sachs to conduct an independent review of the circumstances surrounding the covert surveillance operation. The Sachs report concluded that (1) the surveillance intruded upon law-abiding Marylanders' freedom of

association; (2) DSP violated federal regulations when it transmitted certain findings to the High Intensity Drug Trafficking Area database; and (3) DSP showed a lack of judgment in labeling peaceful activism as “terrorism.” To prevent this type of overreaching from happening in the future, the report recommended that DSP (1) adopt regulations forbidding covert surveillance of individuals or groups unless there is a prior written finding by the superintendent that the surveillance is justified; (2) establish standards for the collection, dissemination, auditing, and purging of criminal intelligence information; and (3) revise, and possibly discontinue, its use of the Case Explorer database in connection with its intelligence-gathering activities. **DSP should comment on its efforts to address the Sachs recommendations.**

DNA Testing: Chapter 337 of 2008 required a DNA sample to be collected from an individual who is charged with a crime of violence, felony burglary, or an attempt to commit those crimes. Prior to January 2009, pursuant to State law, DNA samples were collected from individuals convicted of a felony, fourth degree burglary, or breaking and entering into a vehicle. DNA samples were collected at the correctional facility where the person was confined, at a facility designated by the director of the Crime Laboratory for individuals on probation or not sentenced to imprisonment, or at a suitable location in a circuit court at the time of sentencing. The department reports that the implementation of this legislation has had a significant impact on staff resources. However, due to the program’s infancy, it is too soon to assess the long-term impact of the expansion on staff resources. **The department should comment on the current status of this effort.**

StateStat: Established by Chapter 7 of 2007, StateStat is an Administrative initiative designed to be a management accountability process for Executive Branch agencies. Agencies such as DSP are required to report regularly to StateStat regarding various inputs and performance trends such as overtime usage and departmental vacancies. **The department should comment on the performance-driven measures that are being tracked for purposes of StateStat and how this information is being used to improve the department’s overall performance and operations.**

Funds Improperly Encumbered in Fiscal 2008: During DLS’ review of fiscal 2008 closeout transactions, DLS learned that the department improperly encumbered certain general funds. Specifically, the department encumbered a portion of its general funds in order to write-off uncollected accounts. According to the department, a general fund appropriation is needed in order to write-off accounts sent to the Department of Budget and Management’s Central Collections Unit. Since no general funds remained from prior fiscal years to write-off uncollectible accounts, the department encumbered approximately \$631,000 in general funds. **The department’s practice of encumbering general funds in an effort to write-off uncollectible accounts is atypical. As such, the department should refrain from this practice in the future.**

Recommended Actions

1. Add budget bill language that restricts \$1,000,000 of the general fund appropriation until the Department of State Police submits the 2008 *Uniform Crime Report*.

Updates

Report on Closure of the Annapolis Barrack: On July 1, 2008, the Annapolis Barrack merged with the Glen Burnie Barrack to provide a single base of operations in Glen Burnie, Maryland. As a result of the move, several positions were abolished and reclassified, resulting in a net cost savings of \$282,000.

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Operating Budget Analysis

Program Description

The Department of State Police (DSP) exists to safeguard persons within the State, protect property, and assist in providing all persons equal protection under the law. The department's operating structure is composed of the following programs:

- The Office of the Superintendent provides overall administration of the agency including legal counsel, public affairs, and planning. The commanders/directors of the divisions and sections that report directly to the Superintendent include the Executive Protection Division, Legislative Security, Labor Relations, Internal Affairs, Legal Counsel, and Media Communications Sections.
- The Field Operations Bureau manages 22 police barracks, the Automobile Safety Enforcement Division, Commercial Vehicle Enforcement Division, Special Operations Division, Transportation Safety Division, and the Aviation Command. The bureau promotes traffic safety, crime-free communities, and provides qualified Aviation Command personnel to provide timely Medevac transports throughout the State.
- The Homeland Security and Investigation Bureau manages the Homeland Security and Intelligence Division, Analytical Division, Operations Section, Technical Surveillance Unit, Forensic Sciences Division, Drug Enforcement Division, Criminal Investigation Division, Firearms Enforcement Section, and Computer Crimes Section. The bureau provides investigators and analysts to collect, analyze, and disseminate intelligence to protect citizens from foreign and domestic threats, to follow-up on suspicious activity tips, and to infiltrate criminal groups. The bureau also strives to reduce the rate of firearm related assaults and uses its resources to address criminal and drug related acts.
- The Support Services Bureau provides direction for four distinct administrative support commands:
 - The Personnel Command includes Administrative Hearing, Department Prosecutor, Fair Practices Chaplain, Volunteers in Police Support, Human Resources, and Promotional Standards Development Divisions.
 - The Training Command includes Curriculum Development, In-service, Police Academy, and Professional Development Divisions.
 - The Logistics Command includes the Electronics Systems, Facilities Management, Information Technology, Motor Vehicles, and Quartermaster Divisions.
 - The Records Command includes the Licensing Division and Central Records.

Within these functions, the bureau recruits and hires employees; addresses retention issues; provides services in procurement and distribution of supplies and equipment; works to improve the critical error rate of law enforcement agencies that enter civil protective orders into the Maryland Interagency Law Enforcement Agency/National Crime Information Center systems; serves as a catalyst for the interagency exchange of criminal justice, homeland security, and intelligence information at the federal, State, and local levels; and provides timely and efficient access to public information and records.

Fire Prevention Commission and State Fire Marshal

The Fire Prevention Commission and Fire Marshal are charged with safeguarding life and property from the hazards of fire and explosion.

Performance Analysis: Managing for Results

Maryland's Crime Rate Declines in 2007

In 1975, by statute, Maryland instituted a program to require all local law enforcement agencies to submit standardized crime reports based on the federal reporting system to ensure consistency. Data for the reports is gathered from each agency's record of complaints, investigations, and arrests. The Maryland State Police compile the information by calendar year, which is published as *Crime in Maryland, Uniform Crime Report*. The methodology for these reports follows guidelines and definitions of crimes as provided by the National Uniform Crime Reporting Program, which is administered by the Federal Bureau of Investigation. Although all these acts are crimes in Maryland, Maryland law may use different terms. For instance, forcible rape in the Uniform Crime Report would be either first or second degree rape or first or second degree sexual offense under Maryland law.

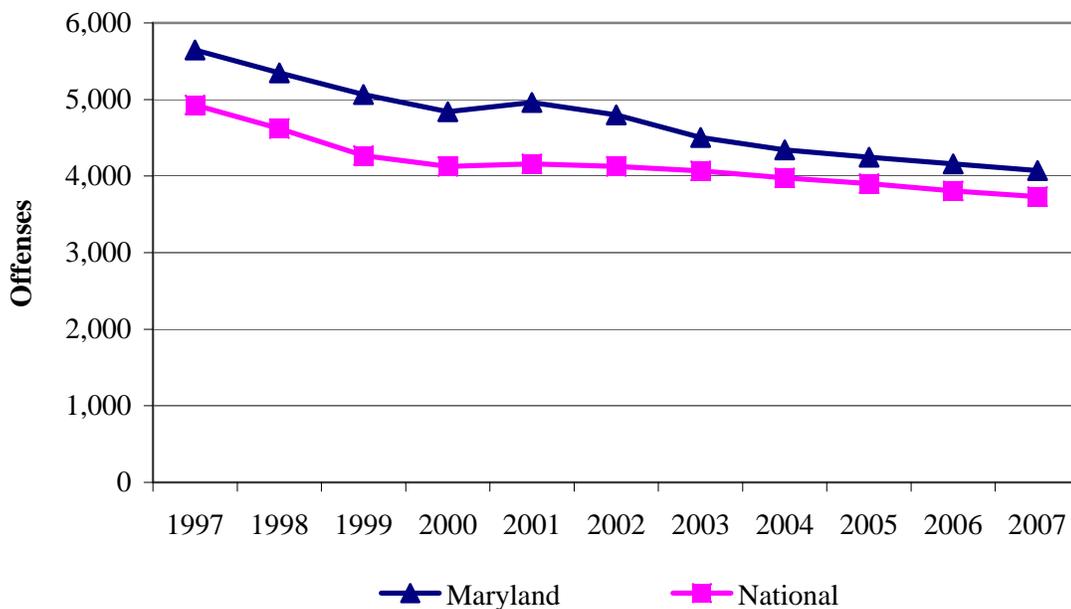
The *Uniform Crime Report* measures the incidence, arrests, and trends for the following eight crimes, referred to as Part I offenses:

- murder and voluntary manslaughter;
- forcible rape;
- robbery;
- aggravated assault;
- breaking and entering (burglary);

- larceny-theft;
- motor vehicle theft; and
- arson.

Based upon reported offenses, a crime rate is calculated for the number of offenses per 100,000 inhabitants. In calendar 2007, Maryland's crime rate of 4,073 victims for every 100,000 population exceeded the national average of 3,730 victims for every 100,000 population. It should be noted that although Maryland's crime rate exceeded the national average, crime throughout the State has declined in the last 10 years by 3% annually (See **Exhibit 1**).

Exhibit 1
Maryland and National Crime Rate Trends
Offenses Per 100,000 of Population
Calendar 1997-2007

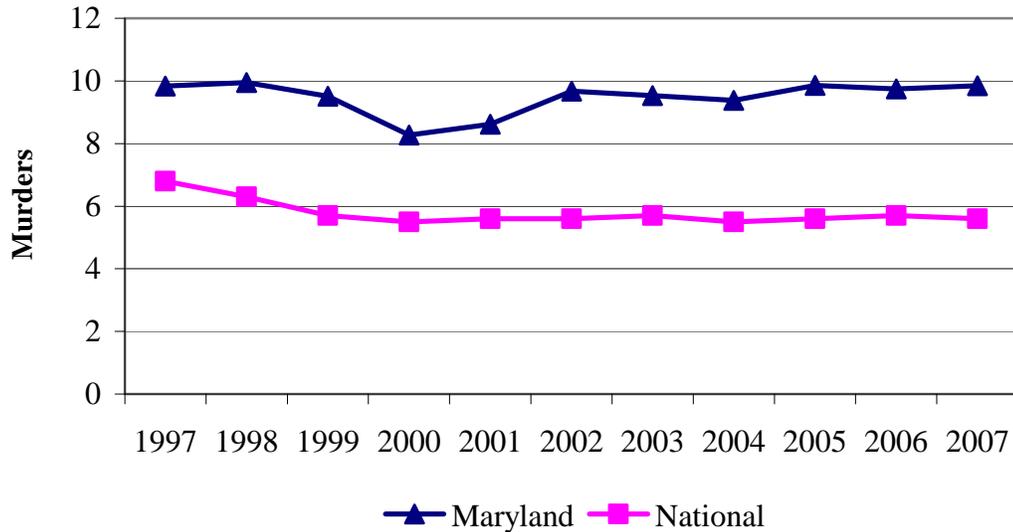


Source: 2007 *Uniform Crime Report*; Federal Bureau of Investigation

Maryland's Murder Rate Exceeds National Average

In calendar 2007, Maryland's crime rate for murder of 9.8 offenses per 100,000 persons far exceeded the national average of 5.6 murders per 100,000 persons. Five hundred and fifty-three murders were reported to law enforcement agencies in Maryland, which represents the highest murder rate in Maryland over the last 10 years (See **Exhibit 2**).

Exhibit 2
Maryland and National Murder Trends
Per 100,000 of Population
Calendar 1997-2007



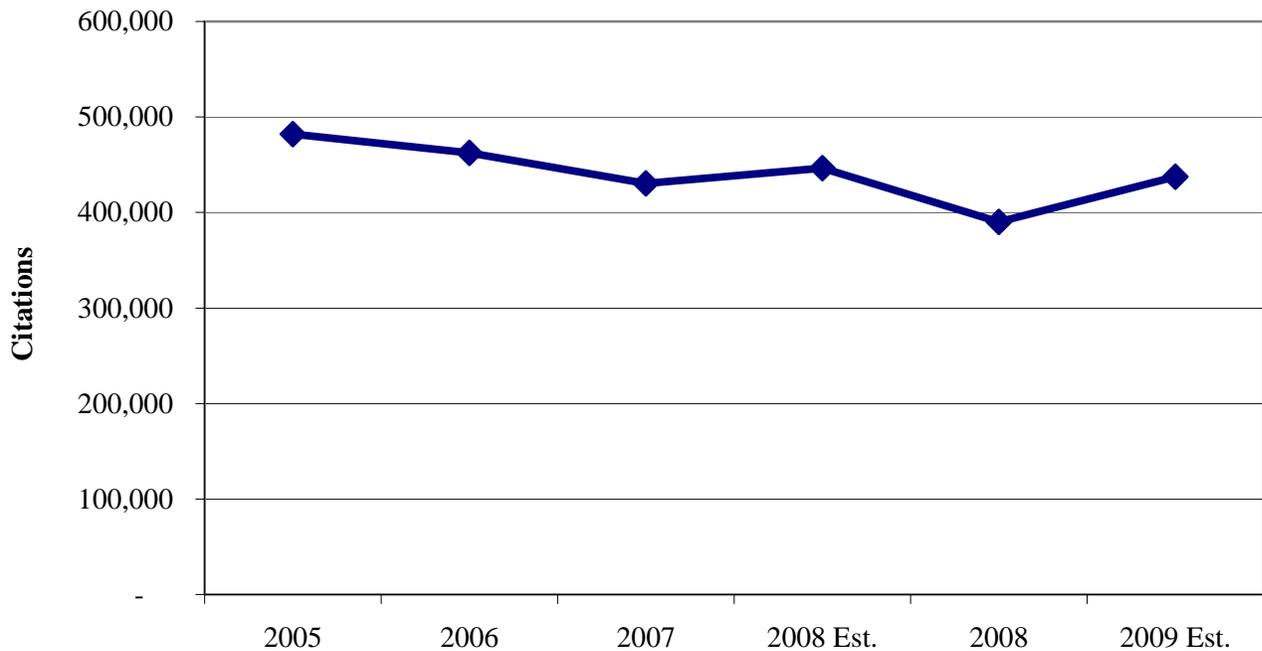
Source: 2007 *Uniform Crime Report*; Federal Bureau of Investigation

The department should be prepared to comment on what efforts it has taken to curtail crime in Maryland.

Motor Vehicle Citations Decline in 2008

The mission of the Field Operations Bureau is to protect the life and property of all individuals and organizations within Maryland. As a component of this mission, the department endeavors to promote traffic safety through awareness and enforcement of motor vehicle violations. As shown in **Exhibit 3**, the number of citations issued by the department has declined steadily since calendar 2005. The department reports that the decline in citations is due, in part, to a high number of sworn officer vacancies. According to the department, there are currently 125 sworn officer vacancies. This number represents 8% of the department's authorized sworn officer personnel. **The department should comment on its current efforts to enforce motor vehicle violations, as well as the impact of personnel vacancies on departmental resources. The department should also discuss, to what extent, field operations bureau resources are being re-allocated to areas other than traffic enforcement. Lastly, DLS recommends that the department establish an additional Managing For Results measure that captures the department's sworn officer vacancies relative to the total authorized personnel strength.**

Exhibit 3
Field Operations Bureau
Motor Vehicle Citations
Calendar 2005-2009



Source: Department of State Police

Fiscal 2009 Actions

Impact of Cost Containment

The department was required to reduce the total budget by \$13.6 million due to cost containment actions taken by the Board of Public Works (BPW) in fiscal 2009. Cost savings were primarily achieved by:

- across-the-board reductions in health insurance, Other Post Employment Benefits, telecommunications, travel, and energy performance contract payments (\$5.4 million);
- imposing a hiring freeze for civilian and sworn officer positions (\$4.8 million);
- reducing general funds in anticipation of increased special fund revenues for indirect cost recoveries (\$2.0 million);

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- abolishing 25 vacant civilian and sworn officer positions (\$930,000);
- reducing funds to purchase additional patrol vehicles (\$351,000); and
- increasing the turnover rate to 9.4% within the Fire Prevention Services Program (\$154,000).

Proposed Budget

As shown in **Exhibit 4**, the fiscal 2010 allowance increases by \$28,828,163, or 11.2%, when funds are adjusted for contingent and across-the-board reductions

Personnel Expenditures

Personnel expenses increase by \$14.9 million, mostly due to employee increments and pay-as-you-go retiree and health insurance costs. However, when these costs are adjusted for contingent and across-the-board reductions, personnel expenditures increase by \$13.9 million, or 6.7%.

Employee Retirement

Employee retirement increases by \$10.6 million, or 47%, mostly due to an increase in the State Police retirement rate. The fiscal 2010 allowance reflects a State Police retirement contribution rate of 25%, a 10 percentage point increase above the fiscal 2009 retirement rate. The increase in the amount of funding budgeted for State Police retirement is due, in part, to low investment returns within the police pension fund. Additionally, the department is still experiencing the latent effects of a miscontribution to the pension fund in fiscal 2005 due to actuarial error.

Grant Expenditures

The allowance reflects an increase of approximately \$14.4 million in anticipated grants from the federal government and the Maryland Military Department. Grants are expected to be used for various law enforcement and homeland security measures. The amount is only an estimate of expected grants and is included in the allowance to minimize budget amendments throughout the fiscal year. **The department should comment on the nature of the anticipated grant funds.**

Other Expenditures

The allowance includes an additional \$2.9 million in funding for:

- motor vehicle fuel expenses (\$1.6 million);
- fuel and utility expenses at State barracks (\$812,000); and
- supplies (\$471,000).

Exhibit 4
Proposed Budget
Department of State Police
(\$ in Thousands)

How Much It Grows:	General Fund	Special Fund	Federal Fund	Reimb. Fund	Total
2009 Working Appropriation	\$177,557	\$70,327	\$3,069	\$6,429	\$257,383
2010 Allowance	<u>191,249</u>	<u>74,968</u>	<u>11,595</u>	<u>9,859</u>	<u>287,671</u>
Amount Change	\$13,692	\$4,641	\$8,526	\$3,430	\$30,288
Percent Change	7.7%	6.6%	277.8%	53.3%	11.8%
Contingent Reduction	-\$1,401	-\$59	\$0	\$0	-\$1,460
Adjusted Change	\$12,291	\$4,582	\$8,526	\$3,430	\$28,828
Adjusted Percent Change	6.9%	6.5%	277.8%	53.3%	11.2%

Where It Goes:

Personnel Expenses

Across-the-board abolitions to consolidate personnel classification functions.....	-\$81
Across-the-board reduction of 21 positions	-644
Employee and retiree health insurance pay-as-you-go costs.....	6,226
Employees' retirement	10,664
Employee increments	4,578
Reduction of Other Post Employment Benefits' unfunded liability	-1,506
Turnover adjustments.....	-5,260
Deferred compensation (after reducing fiscal 2010 for contingent reductions).....	-245
Other adjustments.....	155

Other Changes

Increased contractual employee services expenses	76
Contractual employee services (Section 23)	-121
Anticipated grants from the Military Department and the federal government	14,359
Increased fuel expenses for motor vehicles.....	1,582
Increased fuel and utility expenses.....	812
Increased supplies	471
Eight new motor vehicles.....	168
Reduced equipment expenditures.....	-1,828
Across-the-board contractual services reduction (Section 24).....	-369
Other	-209

Total **\$28,828**

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

Computer Aided Dispatch/Records Management System

In July 2008, the Governor issued an executive order establishing a project management office within the department to oversee the construction of a statewide 700 mega hertz communications system, a statewide computer-aided dispatch/records management system for statewide law enforcement and public safety usage, and a project to connect disparate closed circuit television systems across the State in order to improve public safety. Agencies participating in this initiative include the Department of General Services, the Department of Natural Resources (DNR), the Maryland Department of Transportation, and DSP. The fiscal 2010 allowance includes approximately \$3 million in federal and Major Information Technology Project Development funds for this purpose (See **Appendix 3**). It should be noted that the \$2.3 million of federal funds allocated for this project is budgeted within DNR. DSP has been designated as the lead agency in this effort.

Aviation Division

The fiscal 2010 budget deletes funding and related positions for the DNR Aviation Division. The Department of Legislative Services (DLS) had been advised that this responsibility will be assumed by the Maryland State Police Aviation Command's (MSPAC). The DNR Aviation Division conducts a variety of law enforcement flights that include search and rescue and homeland security critical infrastructure surveillance.

DNR conducted a total of 943 flights between fiscal 2004 and 2008. Of which, 689, or 73% were search and rescue or enforcement-related. The fiscal 2010 allowance for MSPAC increases by \$384,000, or 1.6%. **The department should comment on how these new responsibilities will impact existing resources.**

American Recovery and Reinvestment Act of 2009

The State of Maryland is expected to receive a total of \$49.4 million in federal Edward Byrne Memorial Justice Assistance grant funds over the next three fiscal years. Grant funds will be used to support State and local enforcement projects in a number of public safety areas such as law enforcement, prevention, education, corrections, and drug treatment programs. Discussions with the Governor's Office of Crime Control and Prevention (GOCCP) have indicated that the \$27.1 million in funding that is estimated to be retained by the State will be distributed to State agencies via a competitive grant process. GOCCP will convene a panel and peer review team to review requests and make awards to law enforcement agencies such as DSP, the Department of Public Safety and Correctional Services, and the Department of Juvenile Services. Due to time constraints requiring that grant monies be spent by a certain time, GOCCP has indicated that initial grant awards are likely to be awarded for activities that are performance-related and include projects and activities that involve the reduction of violent crime. **The department should comment on whether it intends to apply for this funding, including the nature of the projects and activities for which it is likely to request funding.**

Impact of Cost Containment

Contingent and across-the-board reductions reduce the department's fiscal 2010 allowance by approximately \$1.5 million. These reductions include the following:

- the deletion of 21 vacant positions (\$643,768);
- a reduction in contractual services (\$369,045);
- a reduction in deferred compensation (\$244,780);
- a reduction in contractual employee services (\$121,482); and
- a position abolition as part of an effort to consolidate personnel classification within the Department of Budget and Management (DBM) (\$81,127).

Issues

1. Medevac Replacement

Since 1970, DSP has operated a system of aircraft to provide emergency medical evacuation (Medevac) services and other flight services to the State’s citizens. For almost 10 years, MSPAC operated with a fleet of 12 helicopters and 2 fixed winged aircraft. As a result of the 2008 helicopter accident, MSPAC now operates with 11 helicopters.

Background

Medevac operations began in Maryland in 1970 with a limited fleet of single engine Bell “Jet Ranger” helicopters. A crash involving one of these helicopters in 1986 prompted a review and ultimately the recommendation to upgrade and expand the fleet. The first of MSPAC’s current fleet was purchased in 1989. The fleet consists of three models of aircraft, several of which have been modified to meet the latest models specifications. **Exhibit 5** shows when each model was purchased and, where appropriate, when the model was upgraded to new standards.

Exhibit 5 Medevac Helicopter Models

<u>Year Purchased</u>	<u>Model</u>	<u>Retrofit Date</u>
1989	N-1*	
1989	N-1	
1989	N-1	
1989	N-1M	February 2003
1989	N-1M	November 2000
1989	N-1M	October 2002
1990	N-1M	June 2001
1990	N-1M	May 2002
1990	N-1M	November 2001
1994	N-2	
1994	N-2	
1999	N-3	

*Helicopter is no longer in use due to accident.

Source: Department of State Police

Over time, MSPAC’s mission has evolved to primarily include medical evacuations, search and rescue, law enforcement, and most recently, homeland security (see **Exhibit 6**). This structure is largely unique to Maryland. Most states do not operate on this scale nor provide a centralized dispatch system. The department’s rigorous maintenance schedule and the retrofits of many of the original models have contributed to a longer than expected lifespan for certain aspects of the fleet.

Exhibit 6
Command Helicopter Mission Types and Definitions

Medevac	Provision of emergency medical services care in conjunction with the rapid helicopter transfer of an ill or injured patient from a field site to a trauma center or to another specialty center within an expedited time frame.
Patient Transfer	Provision of patient inter-hospital transfer involving transport for critically injured or ill patients from one hospital to another for a higher level of care.
Damage Assessment	Provision of aerial surveys from natural and manmade disasters. For statistical purposes, these missions are considered a type of law enforcement mission.
Law Enforcement	Support for law enforcement activities, generally within State boundaries, includes searching for and tracking suspected criminals, searching for stolen property (such as vehicles), civil disturbance responses, tactical medical support, and transfers of police personnel.
Search & Rescue	Provision of aerial search and rescue services for lost or disoriented children and adults, and for missing, lost, or overdue property, aircraft, and watercraft.
Homeland Security	Operations related to proactive and as-needed services, including patrol checks of potential terrorist targets, and transport of personnel for homeland security incidents.
Support	Operations related to personnel training, maintenance, demonstration, and executive transport.

Source: Department of Legislative Services

The life expectancy of the airframes was not certain when originally purchased; therefore, beginning in the late 1990s, a number of studies were requested to address the cost, timing, and financing for replacing the fleet. The latest study, prepared by SMART Business Advisory and Consulting, LLC (SMART), was submitted to the legislature on June 1, 2006. The study was prepared under the direction of the Maryland Department of Transportation.

Strategic Plan for Helicopter Replacement

The fiscal 2006 capital budget directed the DSP and other Emergency Medical Services (EMS)-related entities to prepare a report on helicopter replacement. Due to delays, the fiscal 2007 budget also requested a report on the schedule of replacement and a financing plan. The report recommended replacing all 12 helicopters, maximizing trade-in value by beginning replacement in fiscal 2009. After a 20-year service life, trade-in values drop. Having one airframe also reduces hours for training pilots and mechanics, can circumvent maintenance overlap problems, and reduce the need for multiple parts, and safer operations due to standardized emergency procedures. Where prior studies estimated the replacement cost per helicopter ranging from \$5.7 to \$6.5 million, DLS has been advised that the replacement cost per helicopter could cost as much as \$20 million.

A complete list of the mission capabilities and equipment/technology needs are listed in **Exhibit 7**.

Exhibit 7
Maryland State Police Assessment of
Replacement Helicopter Equipment Needs

Medevac	Wire Strike Protection Night Vision Imaging Systems Terrain Avoidance Warning Systems Weather Avoidance (Enhanced or Synthetic Vision) Helicopter Service Area Equipment Helicopter Service Area Ergonomics Reduce Threat of Body Hazards within the Aircraft Need for Interior Modular Components for Quick Replacement
Law Enforcement	Thermal Imaging Device Searchlights 800 Mega hertz Radio Communication Airborne Navigation Fenestron (Tail Rotor) Redesign
Search and Rescue	Hoist Equipment Hoist Mounted Video Added Safety Features (Flotation Equipment, etc.)
Homeland Security	Surveillance Reconnaissance Recording and Geocoding Video/Data Downlink Assisting Federal Authorities (“Plug and Play” Avionics) Utility Transport Capability

Source: Department of State Police

Recent Developments Regarding the Replacement of the Fleet

The General Assembly’s intent to replace the existing fleet dates back to the 2007 legislative session. Chapter 6 of the 2007 special session provided that a portion (\$110 million) of the revenues from the increased sales and use tax in fiscal 2008 be directed to the State Police Helicopter Replacement Fund (SPHRF). Chapter 6 also expressed the intent of the General Assembly that the Governor include sufficient expenditures from the fund to purchase three helicopters per year from fiscal 2009 to 2012. However, the Spending Mandate and Revenue Dedication Relief Act of 2008 (Chapter 414 of 2008) modified Chapter 6 to dedicate \$50 million, rather than \$110 million, to SPHRF. To replace this funding, Chapter 414 also required the Governor to include a total of \$70 million for the purchase of Medevac helicopters in the fiscal 2010, 2011, and 2012 State budgets. These funds may be from any budgetary fund that receives sales and use tax, and appropriations may be reduced by the amount of capital debt that may be authorized for helicopters or by any contribution, transfer, or financing acquired from the Maryland Automobile Insurance Fund as authorized by Act of the General Assembly.

The General Assembly's desire to replace the fleet was further evidenced during the 2008 legislative session when the legislature approved \$33.6 million in the pay-as-you-go special funds to procure the first installment of three Medevac helicopters. However, due to budget constraints, the Budget Reconciliation and Financing Act of 2009 legislation authorizes the transfer of this funding to the general fund. In lieu of these funds, the fiscal 2010 *Capital Improvement Program* (CIP) includes \$40.0 million in general obligation (GO) bonds for the purchase of two Medevac helicopters. The CIP calls for the purchase of eight helicopters to replace MSPAC's aging fleet between fiscal 2010 and 2014.

Why Is the Replacement of the Fleet Being Revisited?

An August 2008 performance audit conducted by the Office of Legislative Audits (OLA) disclosed a number of issues pertaining to the efficiency and effectiveness of MSPAC's operations. Particularly, OLA noted that DSP's ability to make informed decisions about Medevac availability and maintenance was severely hampered by the lack of reliable and comprehensive data systems needed to manage, track, and assess critical aspects of its operations. The audit also highlighted MSPAC's impeccable safety record, having at that time, flown almost 90,000 flight hours without a major accident, injury, or fatality.

Nearly one month following the audit's release, a fatal helicopter crash occurred in Prince George's County, killing four of the five people on board. Trooper 2, which was stationed at the Andrews Air Force Base, was responding to the scene of a traffic accident. Air safety investigators with the National Transportation Safety Board (NTSB) are currently examining the cause of the accident. NTSB has issued a preliminary report that includes an events timeline and will issue a final report upon completion of the full investigation.

The recent fatal crash, combined with an impending need to replace the aging helicopter fleet at a significant cost, has focused a great deal of attention on Maryland's Medevac program, including allegations of possible Medevac over usage; the fiscal impact of revised Medevac transportation protocols on the fleet's operating requirements and size; and the optimal financing mechanism for replacing the fleet.

MSPAC Audit

As previously mentioned, an August 2008 performance audit conducted by OLA disclosed a number of issues pertaining to the efficiency and effectiveness of MSPAC's operations. While issues such as the replacement of the fleet and protocols used by emergency responders to request Medevac flights were excluded from the scope of the audit, issues such as the use and availability of the fleet and the effectiveness and efficiency of MSPAC's maintenance and inspection operations were evaluated by OLA. Several of the report's key findings are summarized below.

- ***Helicopter Use and Availability:*** OLA found that helicopters were used primarily for the State's critical missions (*e.g.*, Medevac), and other uses did not appear to impact availability. According to OLA, approximately 97% of MSPAC's missions over the five-year period

evaluated pertained to critical missions. While the audit noted that helicopter use was appropriate, OLA noted that the database used to track downtime by section was unreliable. Several of the entries tested did not agree to source documents. Additionally, downtime was not tracked by helicopter. OLA estimated that for 51 days during fiscal 2007, less than 8 helicopters were in service.

- ***Maintenance Operations:*** While the audit noted that helicopter inspections were conducted at proper time intervals, the costs for helicopter operations were not tracked separately nor were actual labor hours spent on helicopter inspections and repairs. Additionally, no formal process existed for determining whether an outside vendor should be used for more comprehensive inspections, such as T inspections (required every 600 flight hours). Lastly, the audit indicated that available features of MSPAC’s automated inventory system were not used to ensure that critical parts were on hand to meet expected needs.
- ***Personnel Staffing and Training:*** According to OLA, given MSPAC’s comprehensive mission profile and current staffing, the organizational structure appeared to be reasonable. However, the audit noted that turnover in key management positions appeared to result in a lack of leadership continuity. Additionally, turnover and overtime costs for non-management staff pilots and technicians had increased over the five-year period evaluated. Low salaries and limited advancement opportunities for civilian pilots and technicians were cited as among the causes for the high turnover. Lastly, OLA noted that position vacancies have contributed to the command’s overtime expenditures.
- ***Golden Hour Managing for Results:*** The report noted that actual statistics measured by OLA revealed that the golden hour measure being tracked by MSPAC did not represent the commonly understood definition of the “Golden Hour,” which is the “time between the occurrence of the accident to patient delivery at a trauma center.” As such, the measure tracked by MSPAC should be revised to reflect the measure being tracked by the command “which is the time between dispatch and patient delivery to a hospital.”

Audit Update

MSPAC reports that it has taken several measures to address OLA’s audit findings. Particularly, MSPAC has created a Maintenance Quality Assurance Section to provide oversight of completed maintenance work. The section is also responsible for conducting internal audits at regular intervals. Additionally, the department has created several positions to provide additional staff oversight such as a director of maintenance, chief pilot, and director of operations position. Lastly, MSPAC reports that its maintenance software system is now being utilized to its full capabilities to track and store information pertaining to parts and employee labor costs.

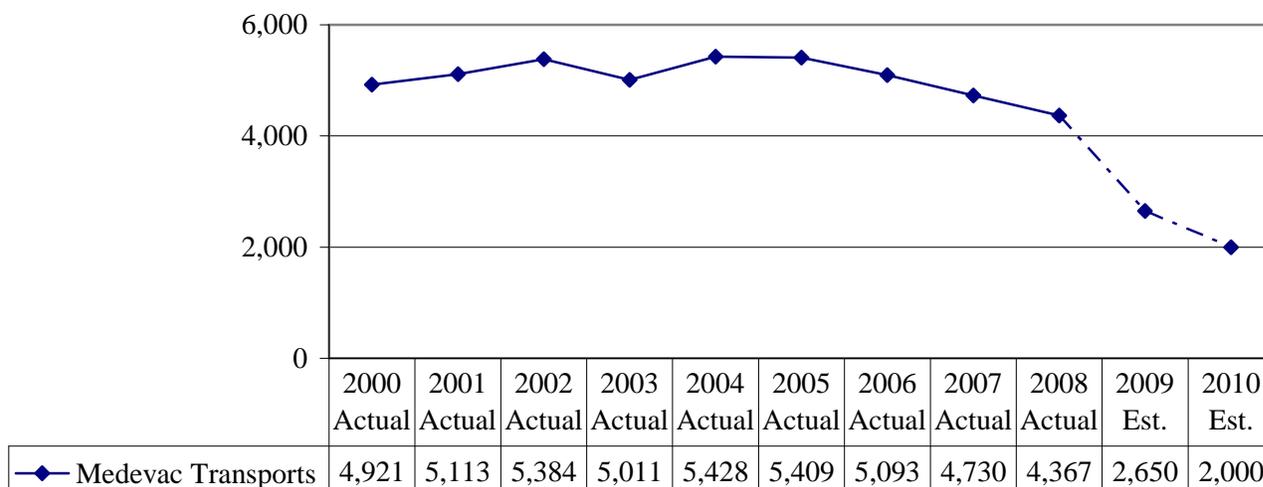
MSPAC should update the budget committees on the current status of implementing the audit findings.

New Medevac Transportation Protocols

Following the fatal helicopter crash, amidst allegations of possible Medevac overusage, new protocols were implemented to determine whether an injured patient is airlifted to a trauma center. Under the new guidelines, Medevac requests for trauma patients with seemingly non-critical injuries now require a medical consultation with a trauma center prior to dispatching a helicopter. Previously, that decision was made by paramedics without doctor input. While there has been a notable decline in the number of Medevac transports requested since the protocol change, it remains unclear as to whether the trend will continue. The frequency of accidents increases as the weather improves. Because the protocols were instituted at the beginning of the winter season, it is unclear whether the drop in requests is due only to the protocol change or a combination of the protocol change and seasonal change.

Exhibit 8 shows the change in helicopter utilization following the protocol change. As the exhibit shows, there has been a steep decline in the number of Medevac transports requested since the protocol change. However, as previously mentioned, it is unclear at this time whether the trend will continue.

Exhibit 8
Medevac Transports Before and After Protocol Change
Fiscal 2000-2010



Source: Maryland Institute for Emergency Medical Services Systems

Expert Panel Reviews Maryland Medevac System

In November 2008, a panel of national experts convened to review and make recommendations regarding Maryland's emergency transport protocol in light of the September crash. Several of the panel recommendations pertaining to Maryland's Helicopter Emergency Medical Service (HEMS) are summarized below.

Regulations and Standards for Health Emergency Medical Services Programs

HEMS regulations and standards are a combination of federal (air) and State (medical transport) requirements with additional voluntary best practice standards articulated by the Commission for the Accreditation of Medical Transport Systems (CAMTS). The Federal Aviation Administration (FAA) governs all of civilian aviation including public use of aircraft. HEMS regulations are governed primarily in three areas: Part 91 (General Aviation), Part 135 (Commercial Air Tax), and Part 145 maintenance facilities. Because Maryland does not charge its patients for Medevac services, MSPAC currently operates under Part 91 of the General Aviation requirements. In general, Part 135 guidelines are more restrictive than that of Part 91 in a series of areas such as weather minimums and maintenance and documentation requirements.

As the NTSB has recommended that all HEMS patient-related flights be conducted under Part 135, the panel also recommended that MSPAC operate under Part 135 standards. The panel recognized that a recent audit of MSPAC indicated that the command had voluntarily adopted a number of Part 135 requirements.

CAMTS is dedicated to improving the quality of patient care and the safety of the transport services for rotor wing, fixed wing, and ground transportation systems. CAMTS accreditation is a program of voluntary compliance with standards that demonstrate the ability of providers to deliver service of a specific quality. In general, while a number of states require CAMTS accreditation, these standards substantially exceed minimum State licensing requirements. According to the report, 40% of the medical flight programs in the United States and Canada are accredited by CAMTS. Significant to the discussions of the panel in the review of Maryland's HEMS, were the CAMTS requirement for two medical crew providers and the incorporation of critical care into the system. While CAMTS accreditation is voluntary and will require significant changes to MSPAC operations, the panel firmly believes that the MSPAC's medical operations to patients will be substantially enhanced by the adoption of the self-imposed CAMTS requirements. The panel noted that Maryland Institute for Emergency Medical Services Systems and MSPAC had already taken steps to evaluate this option.

What Is the Fiscal Impact of Adopting Panel's Recommendations?

In order to achieve CAMTS accreditation, MSPAC must be Part 135 certified and operate with two medical crew members per flight. As previously mentioned, MSPAC currently operates under Part 91 of the FAA regulations and with only one medical care provider per flight. In order to achieve Part 135 certification, MSPAC estimates that it will cost a total of \$415,000 in one-time costs and \$645,000 in ongoing costs to achieve and maintain the certification. MSPAC recently received

approval from the EMS Board to make the changes necessary to be in compliance with Part 135 and is awaiting a determination regarding CAMTS accreditation. MSPAC estimates that it would cost an additional \$2.3 million to hire 40 additional paramedics. Eighty percent of the costs for Part 135 certification and CAMTS accreditation would be allocated to the Maryland Emergency Medical System Operations Fund (MEMSOF). If the enhancements are implemented, the impact on MEMSOF would be significant.

As a safety measure, MSPAC recently requested funding from EMS for new equipment (e.g., night vision imaging systems, terrain awareness warning systems, and a flight simulation). Additionally, MSPAC requested funding to begin the initial hiring of Medevac co-pilots. MSPAC reports that hiring an additional pilot will substantially increase the safety of each Medevac flight. While EMS has approved MSPAC's request for new safety equipment, the request to add an additional pilot to each flight is still under review. The total cost for these two additional enhancements is estimated to total approximately \$3.6 million. Again, the impact of this enhancement on MEMSOF would be significant as 80% of these costs would be also be allocated to the fund. **Since the requested equipment upgrades and a helicopter simulator are included as part of the current helicopter request for proposals (RFP), DLS recommends that the department comment as to why these additional expenses cannot be deferred until the first set of helicopters are procured. DLS also recommends that the department forego the purchase of a new simulator that is based on the Dauphin model given that it would have limited utility unless Eurocopter is selected as the winning vendor.**

HEMS Coverage

Currently, MSPAC operates 11 helicopters out of the eight bases located throughout the State listed in **Exhibit 9**.

Exhibit 9 List and Locations of State Police Helicopter Bases

<u>Operating Base</u>	<u>Location</u>
1. Baltimore Section	Baltimore County
2. Washington Section	Prince George's County
3. Frederick Section	Frederick County
4. Salisbury Section	Wicomico County
5. Cumberland Section	Mineral County, WV
6. Centreville Section	Queen Anne's County
7. Southern Maryland Section	St. Mary's County

Note: An eighth base, the Norwood section in Montgomery County, was operated until the helicopter accident in September 2008.

Source: Department of Legislative Services; Department of State Police

According to the report, there are a number of unique characteristics in Maryland’s HEMS as compared with other areas of the country, including the organization, coverage, tasking, staffing, and funding of air medical services. MSPAC’s model is unique to the country as the only statewide and state provided HEMS system.

Maryland is a relatively small State with a mixed urban and rural population. The State encompasses a very mixed geography and demographic density. Geographic considerations and rural, low population areas are important components in the need for air medical services.

According to the panel, as evidenced by short flight time durations, Maryland has ready access to medical helicopters with a significant number of private and public carriers as back-up transport. While the panel did not make a specific recommendation regarding the number of helicopters required in Maryland, the panel noted that a variety of factors, including geography, population, and flight trends should be considered when selecting the number of helicopters for EMS in Maryland.

Helicopter Base Alignment Study

A helicopter deployment study was conducted by SMART to review the number and distribution of helicopters and bases throughout Maryland. The report, as summarized below, was released in February 2009.

The Assessment

In order to build an assessment model, SMART utilized key performance indicators that would provide a framework to compare how modifications in base numbers, locations, and helicopter quantities would affect how the State would achieve certain goals. In doing so, SMART evaluated key indicators such as geographic, population, and call density coverage across the State as well as scene transport response times.

Geographic Coverage

A key component of the assessment was the helicopter coverage radius that would provide the best opportunity to meet MSPAC’s goal of transporting a patient to the hospital within 60 minutes from the receipt of a dispatch for Medevac transport. In reviewing flight data, SMART determined that this goal has the best opportunity to be accomplished if the “response time to patient” was within 25 minutes of dispatch. As shown in **Exhibit 10**, when MSPAC’s response time exceeded 25 to 30 minutes, the percentage of missions that were completed within the 60 minute goal fell to 72 and 46%, respectively.

**Exhibit 10
MSPAC 60 Minute to Hospital Goal**

<u>Response Time to Patient</u>	<u>Percent of Time 60-minute Goal Is Achieved</u>
Less than 15 minutes	96.4%
Between 15 and 20 minutes	94.2%
Between 20 and 25 minutes	92.0%
Between 25 and 30 minutes	72.0%
Over 30 minutes	46.0%

MSPAC: Maryland State Police Aviation Command's

Source: *Maryland State Police Aviation Command Helicopter Trooper Base Assessment* February 18, 2009

Utilizing both the 25-minute response time and a projected helicopter speed of 130 knots, SMART developed multiple base coverage scenarios as shown in **Exhibit 11**. According to SMART, the optimal base alignment option comprises scenarios 3 and 5. As shown in **Exhibit 12**, under either scenario, the amount of double-coverage is minimized while maintaining nearly 100% of the State's population and call density coverage.

**Exhibit 11
Geographic Coverage Options**

<u>Scenario</u>	<u>Number of Bases</u>	<u>Number of Helicopters</u>	<u>Description</u>
1	8	12	Operate all eight sections
2	8	11	Operate all eight sections and remove one helicopter
3	7	10	Discontinue Norwood section
4	6	9	Discontinue Washington and Norwood sections
5	6	9	Discontinue Washington and Norwood sections and move the location of Southern Maryland section northwest
6	5	7	Discontinue Washington, Cumberland, and Norwood sections
7	4	6	Discontinue Washington, Cumberland, Norwood, and Salisbury sections

Source: *Maryland State Police Aviation Command Helicopter Trooper Base Assessment* February 18, 2009

**Exhibit 12
Key Performance Indicators**

<u>Scenario</u>	<u>Geographic Coverage</u>			<u>Population Covered</u>	<u>Call Density Coverage</u>	<u>Response Time to a Hospital (within 60 Minutes)</u>
	<u>Single</u>	<u>Double Overlap</u>	<u>Triple Overlap</u>			
1	97.7%	48.1%	8.8%	99.1%	98.3%	92.7%
2	97.7%	48.1%	8.8	99.1%	98.3%	92.7%
3	97.7%	37.5%	1.5%	99.1%	98.3%	91.6%
4	94.8%	17.1%	0.0%	91.6%	93.8%	87.7%
5	97.5%	17.1%	0.2%	98.4%	98.5%	89.9%
6	86.0%	17.1%	0.0%	88.5%	92.1%	87.1%
7	72.5%	15.8%	0.0%	80.5%	85.3%	83.7%

Source: *Maryland State Police Aviation Command Helicopter Trooper Base Assessment* February 18, 2009

It should be noted that the SMART report’s analysis of geographic coverage does not take into account the amount of time that elapses from the time an accident occurs until the time that MSPAC is dispatched from Systems Communications. This factor is of extreme importance since the true measure of the “golden hour” is the hour between injury and delivery of a patient to a trauma center. If the amount of time that elapses from the time an accident occurs until dispatch of MSPAC were to be taken into account, the geographic coverage radius would be diminished, thereby reducing the amount of overlap present in the SMART analysis. **DLS recommends that SMART Associates conduct another base study that includes multiple scenarios that account for the true measure of the “golden hour.” DLS also recommends that the study incorporate a full year of flight data subsequent to the 2008 helicopter accident.**

What Is Next?

An RFP was issued on January 30, 2009. According to the Maryland Department of Transportation, the department leading the procurement effort, in order to provide sufficient time for RFP responses, the RFP will be amended to extend the response deadline until mid-April 2009. Additionally, among other things, the amended RFP will include an option to lease/purchase the helicopters and addresses safety needs for additional equipment (e.g., terrain awareness and night vision imaging). As previously mentioned, the fiscal 2010 capital budget includes \$40 million in GO bonds for the purchase of the first two replacement helicopters.

RFP Issues

The continuation of scene transport by Medevac helicopter requires policymakers to examine several decision points, many of which are articulated above. In addition to the aforementioned, the following RFP concerns should also be noted:

- ***The Replacement Time Frame Is Critical:*** Chapter 6 of the 2007 special session expressed the intent that the State purchase three helicopters per year over a four-year timeframe to avoid purchasing more than one version of the helicopter. The legislature expressed the intent that three ships be bought per year to avoid the problems experienced with the current fleet. As shown in the CIP, the out-year plan would include the purchase of eight helicopters over a five-year period. This is potentially problematic if the selected manufacturer produces more than one version during the procurement period.
- ***The Helicopter Base Alignment Study Requires Modification:*** As previously mentioned, the SMART analysis does not take into account the amount of time that elapses from the time an accident occurs until the time that MSPAC is dispatched from Systems Communications. This data must be factored into the analysis in order to truly assess the amount of system overlap and geographic coverage across the State. Additionally, the study does not account for MSPAC’s assumption of DNR missions, including how the additional missions would impact the use and availability of the helicopters.
- ***A Decision to Limit the Number of Helicopters Procured May Have Significant Implications:*** Given the fact that the number of bases and helicopters to be purchased are unknown at this time, any decision to limit the number of helicopters purchased must be carefully considered. If the State decides to purchase only a few helicopters and it is later determined that additional helicopters and bases are needed, the State will likely find itself in the same predicament as with the existing fleet – multiple versions of the same helicopter.

In light of the aforementioned, DLS recommends that the State purchase, at a minimum, three helicopters per year over the next three fiscal years, at which time enough data and experience would be available to determine how many additional helicopters are warranted. Taking into account the consultant’s recommendations, even under the most conservative scenario, the State would need to purchase at least nine helicopters.

House EMS Workgroup

In an effort to examine all of the policy implications of replacing the State’s Medevac fleet, the Speaker of the House convened a House EMS workgroup to study this issue during the 2009 session. The findings of the workgroup are expected to be released in the near term.

DLS Recommendations

The department should comment on the current status of the helicopter procurement. The department should also comment on the advantages and disadvantages of the current system as compared to a system that relies on private carriers. Lastly, the department should discuss the CAMTS accreditation and Part 135 certification process, including the anticipated costs. MSPAC should also discuss its recent request for additional safety enhancements, including why these additional expenses cannot be deferred until the first set of helicopters are procured. DLS also recommends that a flight simulator for the current Dauphin fleet should

not be purchased, since the RFP for a new fleet has been issued which includes a simulator to be based on the helicopters to be delivered in fiscal 2010.

In order to avoid procuring different versions of helicopter, DLS recommends that the State purchase three helicopters per year beginning in fiscal 2010. The decision to purchase at least nine helicopters over the next three fiscal years would not only permit additional study and analysis of helicopter usage but would give the State the option of purchasing additional helicopters (of the same version) in fiscal 2013 when it is determined how many additional helicopters are needed.

2. Surveillance by State Police

In mid-July 2008, it became publicly known that DSP had engaged in covert surveillance of peaceful anti-death penalty and anti-war groups in 2005 and 2006. The surveillance was revealed when DSP released 43 pages of documents to the American Civil Liberties Union (ACLU) in response to a Public Information Act request.

Sachs Report

On July 31, 2008, the Governor appointed former Attorney General Stephen H. Sachs to conduct an independent review of the facts and circumstances surrounding the covert surveillance operation. Mr. Sachs completed his review and submitted his report on September 29, 2008.

Findings

According to the Sachs report, the covert operation was launched in March 2005 for the purpose of gathering information relating to the upcoming executions of death row inmates Vernon Lee Evans, Jr. and Wesley Eugene Baker. Using false names, the State troopers involved in the surveillance attended over two dozen protests and meetings of groups including the Baltimore Coalition Against the Death Penalty, the Baltimore Pledge of Resistance, and the Committee to Save Vernon Evans. The trooper leading the investigation, who was a member of DSP's Homeland Security and Intelligence Division (HSID), took significant steps to infiltrate the groups, including chatting online with group members via a covert email account, and attending numerous small planning meetings. The trooper filed detailed written reports about what happened at each meeting and what was said by participants.

The lead trooper's reports revealed no evidence of proposed criminal conduct or unlawful activity of any kind. In fact, the trooper noted that the subjects clearly stated that they did not intend to violate the law during their planned protests.

Information about the investigation was then entered into HSID's electronic database, "Case Explorer," and labels such as "Security Threat Group" and "Terrorism – Anti-War Protestor" were assigned to subjects of the surveillance. Information about these subjects – including, in some cases, the "terrorism" designation – was then transmitted to a database maintained by the

Washington-Baltimore High Intensity Drug Trafficking Area (HIDTA) program, a federally funded initiative to promote cooperation and information-sharing among federal, state, and local law enforcement agencies.

Mr. Sachs found no evidence that DSP targeted the activists for monitoring because of any disagreement with, or desire to suppress, their political, ideological, or moral beliefs. He determined, rather, that DSP's principal purpose was to promote public safety by preparing for any civil disturbance that might occur in connection with the planned executions.

The Sachs report concluded that (1) the surveillance intruded upon the ability of law-abiding Marylanders to associate and express themselves freely; (2) DSP violated federal regulations when it transmitted some of its investigative findings to the HIDTA database, because there was no reasonable suspicion of involvement in criminal activity; and (3) DSP showed a lack of judgment in labeling as "terrorism" the peaceful activism that was the subject of its investigation.

Recommendations

To prevent this type of overreaching from happening in the future, the Sachs report recommended that DSP (1) adopt regulations forbidding covert surveillance of individuals or groups unless there is a prior written finding by the superintendent that the surveillance is justified because it is based on a reasonable, articulable suspicion of a present or planned violation of the law, and a less intrusive method of investigation is not likely to yield equivalent results; (2) establish standards for the collection, dissemination, auditing, and purging of criminal intelligence information; (3) revise, and possibly discontinue, its use of the Case Explorer database in connection with its intelligence-gathering activities; and (4) contact all individuals who are inaccurately described in the Case Explorer database as being suspected of involvement in "terrorism," to allow those individuals an opportunity to review the relevant data entries, and then purge those entries.

Update

DSP reports that it has addressed the majority of the Sachs report findings. Specifically, special orders have been issued to address covert operations, intelligence collection and sharing, threat assessments, and intelligence training and orientation. Additionally, since the report's release, DSP has identified a software package that is better suited for intelligence gathering. Lastly, DSP reports that it has made attempts to contact 52 of the 53 individuals listed in the database and has received responses from 43 individuals. However, the names of these individuals have not been purged due to pending litigation.

DSP should comment on its efforts to address the Sachs recommendations.

3. DNA Testing

According to the National Conference of State Legislatures, all states require certain sex offenders to provide a DNA sample to authorities, and 44 states require that all convicted felons provide a DNA sample. Seeking to make further use of DNA samples, Chapter 337 of 2008 required a DNA sample to be collected from an individual who is charged with a “crime of violence,”¹ felony burglary, or an attempt to commit those crimes. Chapter 337 took effect January 1, 2009.

Prior to January 2009, pursuant to State law, DNA samples were collected from individuals convicted of a felony, fourth degree burglary, or breaking and entering into a vehicle. DNA samples were collected at the correctional facility where the person was confined, at a facility designated by the director of the Crime Laboratory for individuals on probation or not sentenced to imprisonment, or at a suitable location in a circuit court at the time of sentencing. However, pursuant to Chapter 337, a DNA sample is to be taken at the time an individual is charged. The legislation also sets forth requirements for the collection, testing, use, and disposal of DNA samples taken from an individual and sets forth certain expungement requirements.

Fiscal Impact

The fiscal 2009 budget allotted \$1.3 million in general and federal funds for laboratory equipment and positions to assist in the expansion effort. Supplemental budget number two provided an additional \$1.4 million in funding to hire 10 positions, purchase DNA equipment, and to develop and maintain a database capable of tracking DNA samples. However, even with the additional funding, DSP expressed concerns that there was still a need for additional positions and system enhancements to comply with the legislation.

Update

The department reports that the implementation of this legislation has had a significant impact on staff resources. A series of planning, implementation, and training meetings with criminal justice partners were required in order to begin collecting samples on January 1. Due to the cooperative efforts of the various agencies, the department reports that the design and implementation phase was successful and that DNA collection of samples began on January 1, as required. To date, 8 of the 10 positions received by the division have been filled. According to the department, due to the program’s infancy, it is too soon to assess the long-term impact of the DNA expansion efforts on the Forensic Division’s resources. **The department should comment on the current status of this effort.**

¹ State law defines a “crime of violence” to include several specific crimes, including abduction, arson, kidnapping, manslaughter, murder, rape, carjacking, first or second degree sexual offense, various types of assault, and attempts to commit the above crimes.

4. StateStat

Established by Chapter 7 of 2007, StateStat is an Administrative initiative designed to be a management accountability process for Executive Branch agencies. Agencies such as the department are required to report regularly to StateStat regarding various inputs and performance trends such as overtime usage and departmental vacancies. Administration and department officials discuss the data and adopt strategies in response to the data trends. DSP reports that it has participated in StateStat since March 2007.

Summary of Performance Measures Tracked by StateStat

Agencies participating in StateStat are required to adopt a comprehensive set of performance and citizen satisfaction measures and to submit those measures to StateStat on a regular basis. Agencies are then required to review and analyze the data submitted and to attend accountability meetings to assess performance. Several of the core areas reviewed by the department include the following:

- **Minority Business Enterprise (MBE) Performance:** While the department's goal is to achieve 25% MBE participation, the department has struggled to meet this goal. According to DSP, it has encountered difficulty in reaching its MBE goal because the majority of its procurements are sole sourced, specialized (e.g., helicopters, guns, and equipment) purchases. In an effort to address this concern, StateStat suggested that the department work with the Governor's Office of Minority Affairs to attract more MBE participants for the department's sole sourced specialized procurements. **The department should comment on the current status of this effort.**
- **Sworn Personnel Vacancies:** Sworn personnel vacancies are monitored on a continuous basis by StateStat. According to the department, it has an attrition rate of approximately 10 positions per month. October 2008 cost containment actions imposed a hiring freeze on 63 sworn officer positions. At that time, it was anticipated that there would be sufficient funding for an additional trooper class late in the fiscal year. However, an additional class seems unlikely given the current fiscal climate. **The department should comment on the current number of vacancies and whether there is sufficient funding in the fiscal 2010 allowance to conduct an additional trooper class.**
- **DNA Analysis:** The department analyzes DNA samples for the entire State of Maryland (excluding five jurisdictions with their own DNA laboratories). According to StateStat, in January 2007, there were over 24,000 untested DNA samples of convicted offenders. In addition to these samples, StateStat estimated that there were over 15,000 untested parolee and probationer samples. According to StateStat, within one year, the entire backlog of DNA samples awaiting analysis was eradicated. As a result of these efforts, the number of offender profiles added to the State's Combined DNA Index System database increased by 467% in calendar 2008 as compared to calendar 2006. **The department should comment on the current status of its DNA analysis efforts.**

Conclusion

Overall, StateStat appears to be a forum that allows the Administration to remain abreast of issues impacting DSP. However, excluding MBE participation and certain measures tracked by the Aviation Command, it remains unclear to DLS what other types of performance driven measures are being tracked by and evaluated by the department for purposes of StateStat. **The department should comment on the performance driven measures that are being tracked for purposes of StateStat and how this information is being used to improve the department’s overall performance and operations.**

5. Funds Improperly Encumbered in Fiscal 2008

“Closeout” is the process of closing the books on a State fiscal year (July 1 to June 30) by the Office of the Comptroller. In this process, appropriations are recorded as:

- **Expended:** Funds are considered to be “expended” when the payment for an obligation has been made and is processed.
- **Encumbered:** Funds are regarded as being “encumbered” when the State has incurred an obligation, but payment has yet to be made. Here, the agency intends to make payment in a future fiscal year and needs the appropriation to process the payment at a later date.
- **Reverted/Cancelled:** Funds are reverted to the general fund, or the special or general fund appropriation is “canceled,” when the agency does not spend the money and does not intend to spend the money in the future.

During the DLS’ review of fiscal 2008 closeout transactions, DLS learned that the department improperly encumbered certain general funds. Specifically, the department encumbered a portion of its general funds in order to write-off uncollected accounts. According to the department, a general fund appropriation is needed in order to write-off accounts sent to DBM’s Central Collections Unit. Since no general funds remained from prior fiscal years to write-off uncollectible accounts, the department encumbered approximately \$631,000 in funds.

The department’s practice of encumbering general funds in an effort to write-off uncollectible accounts is atypical. As such, the department should refrain from this practice in the future.

Recommended Actions

1. Add the following section:

, provided that \$1,000,000 of this appropriation is restricted until the Department of State Police (DSP) submits the *Crime in Maryland, 2008 Uniform Crime Report (UCR)* to the budget committees. The budget committees shall have 45 days to review and comment following receipt of the report.

Furthermore, if DSP encounters difficulty in obtaining the necessary crime data on a timely basis from local jurisdictions who provide this data for inclusion in the UCR, DSP shall request that the Governor’s Office of Crime Control and Prevention withhold a portion, totaling no more than 50 percent, of that jurisdiction’s State Aid for Police Protection grant for fiscal 2010 until such time that the jurisdiction submits its crime data to DSP.

Explanation: This annual language was originally added because DSP had not been submitting its annual crime report in a timely manner due to issues related to receiving crime data from the local jurisdictions. As such, this language withholds a portion of the general fund appropriation until the budget committees receive the *2008 Uniform Crime Report*. The language also permits the Governor’s Office of Crime Control and Prevention to withhold a portion of the State Aid to Police Protection grant until certain crime data is submitted.

Information Request	Author	Due Date
2008 <i>Uniform Crime Report</i>	DSP	45 days prior to the expenditure of funds

Updates

1. Report on Closure of the Annapolis Barrack

Over the years, there have been numerous studies regarding the consolidations of MSP services in jurisdictions where the department has more than one barrack. All of the studies have concluded that the consolidation of services at multiple barracks would result in cost savings by eliminating redundant dispatch, administration, supervision, and facilities maintenance expenditures.

On July 1, 2008, the Annapolis Barrack merged with the Glen Burnie Barrack to provide a single base of operations in Glen Burnie, Maryland. As a result of the move, several positions were abolished and reclassified resulting in a net cost savings of \$282,000. It should be noted that although the facility is no longer operated by MSP, it still serves as a fuel pumping station for State agencies. An E-85 ethanol pumping station was recently installed at the facility by the Department of General Services.

Current and Prior Year Budgets

Current and Prior Year Budgets Department of State Police (\$ 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	\$240,850	\$66,545	\$4,547	\$2,639	\$314,581
Deficiency Appropriation	5,775	0	3,018	0	8,793
Budget Amendments	2,435	1,989	0	6	4,430
Cost Containment	-1,684	-61	0	0	-1,745
Reversions and Cancellations	-631	-4,067	-4,540	-92	-9,330
Actual Expenditures	\$246,745	\$64,406	\$3,025	\$2,553	\$316,729
Fiscal 2009					
Legislative Appropriation	\$187,794	\$69,620	\$3,069	\$4,319	\$264,802
Cost Containment	-13,369	-248	0	0	-13,617
Budget Amendments	3,132	955	0	2,110	6,197
Working Appropriation	\$177,557	\$70,327	\$3,069	\$6,429	\$257,382

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

Fiscal 2008

In fiscal 2008, the total budget for the department increased by approximately \$2.1 million. The general fund appropriation increased by \$5.9 million primarily due to the following:

- a \$5.8 million deficiency appropriation to fund general operating expenditures, including costs related to the expansion of DNA collection;
- a \$2.3 million cost-of-living adjustment (COLA) that was centrally budgeted in DBM; and
- a \$1.7 million reduction in salaries and wages due to cost containment actions taken by BPW. Cost savings were achieved by abolishing 13 general fund positions, continuing the department's hiring freeze for civilian personnel, and delaying motor vehicle and equipment purchases.

Additionally, there was a general fund reversion of approximately \$631,000. The reversion was primarily due to personnel vacancies and unrealized expenses associated with the settlement of the I-95 Race Based Traffic Stop litigation.

The department's special fund appropriation decreased by \$2.1 million primarily due to the following:

- a \$1.2 million technical adjustment to properly closeout fiscal 2008 overtime expenditures. The Field Operations Bureau provides police services for other agencies, local jurisdictions, or private entities. The entities are billed for the overtime of personnel and related expenses. These funds represent reimbursement for such activities beyond what was budgeted in fiscal 2008;
- a \$72,000 increase in special funds for fingerprinting services;
- a \$684,000 COLA; and
- a \$61,000 reduction in salaries and wages due to cost containment actions taken by BPW. In January 2009, BPW abolished two special fund positions within the Aviation and Commercial Vehicle Enforcement divisions.

Additionally, there was a special fund cancellation of approximately \$4.1 million. The cancellation was largely due to an overestimate of special funds for reimbursable overtime costs in addition to funding appropriated to the department's Automotive Safety Enforcement and Commercial Vehicle Enforcement divisions for the licensing of motor vehicle stations and the inspection of commercial vehicles.

W10A00 – Department of State Police

The federal fund appropriation decreased by a net \$1.5 million primarily due to the following:

- a \$3.0 million deficiency appropriation to recognize federal asset forfeiture funds; and
- a \$4.5 million federal fund cancellation. The majority of this cancellation was due to unexpended grant funds for DNA analysis. DSP expects to roll the grants over to fiscal 2009.

Lastly, the department's reimbursable fund appropriation increased by about \$5,903. The department received a grant from the Governor's Office of Crime Control and Prevention for equipment needed to allow real-time access to the sexual offender registry data.

Fiscal 2009

The fiscal 2009 budget for the department decreased by a approximately \$7.4 million. This decrease was primarily due to the following:

- a COLA (\$3.2 million);
- a Public Safety Interoperable Communications Grant from the U.S. Department of Homeland Security for equipment and personnel expenses (\$2.1 million);
- an annual salary review increase for the deputy fire marshal, aviation mechanics, police communications operators, civilian pilots, engineers, and scientists (\$882,000);
- across-the-board reductions in health insurance, Other Post Employment Benefits, telecommunications, travel, and energy performance contract payments (\$5.4 million);
- a hiring freeze for civilian and sworn officer positions (\$4.8 million);
- a reduction in general funds due to the anticipation of additional special fund revenues for indirect cost recoveries (\$2.0 million)
- the abolishment of 25 vacant civilian and sworn officer positions (\$930,000);
- a reduction in funds for new vehicles (\$351,000); and
- an increase in the turnover rate within the Fire Prevention Services Program (\$154,000).

Major Information Technology Projects

Department of State Police Computer Aided Dispatch/Records Management System

Project Description:	The procurement of a new computer aided dispatch and records management system. The project will result in the statewide coordination of public safety information sharing and reporting.							
Project Business Goals:	The primary goal of this project is to protect the citizens of Maryland by facilitating the interagency exchange of criminal justice, homeland security, and intelligence information at the federal, State, and local level.							
Estimated Total Project Cost:	\$24,492.962					New/Ongoing Project:	New	
Project Start Date:	July 2009			Projected Completion Data:	March 2013			
Schedule Status:	The project is in the initiation/concept development phase.							
Cost Status:	n/a							
Scope Status:	n/a							
Project Management Oversight Status:	A Statewide Interoperability Executive Committee has been established to govern the implementation of the State's interoperability plan.							
Identifiable Risks:	Significant project risks include resource availability and project support.							
Additional Comments:	n/a							
Fiscal Year Funding (\$ in Thousands)	Prior Years	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	Balance to Complete	Total
Personnel Services	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Professional and Outside Services	0.0	2,710.0	10,025.0	2,225.0	3,551.0	0.0	0.0	0.0
Other Expenditures	0.0	240.0	4,249.0	694.0	798.0	0.0	0.0	0.0
Total Funding	\$0.0	\$2,950.0	\$14,274.0	\$2,919.0	\$4,349.0	\$0.0	\$0.0	\$0.0

**Object/Fund Difference Report
DSP – Maryland State Police**

<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	2,457.50	2,440.50	2,440.50	0	0%
02 Contractual	33.62	33.67	33.77	0.10	0.3%
Total Positions	2,491.12	2,474.17	2,474.27	0.10	0%
Objects					
01 Salaries and Wages	\$ 198,941,069	\$ 205,919,804	\$ 220,776,016	\$ 14,856,212	7.2%
02 Technical and Spec. Fees	1,402,077	1,332,533	1,408,602	76,069	5.7%
03 Communication	2,207,525	2,371,487	2,495,043	123,556	5.2%
04 Travel	479,932	501,811	381,137	-120,674	-24.0%
06 Fuel and Utilities	3,590,995	2,795,176	3,606,900	811,724	29.0%
07 Motor Vehicles	21,661,421	19,693,377	21,385,560	1,692,183	8.6%
08 Contractual Services	7,449,756	7,660,134	7,570,223	-89,911	-1.2%
09 Supplies and Materials	3,133,902	3,248,017	3,718,804	470,787	14.5%
10 Equipment – Replacement	657,733	1,401,170	704,637	-696,533	-49.7%
11 Equipment – Additional	5,327,294	3,719,735	2,587,782	-1,131,953	-30.4%
12 Grants, Subsidies, and Contributions	70,702,383	7,571,480	21,930,600	14,359,120	189.6%
13 Fixed Charges	1,173,401	1,167,857	1,105,642	-62,215	-5.3%
Total Objects	\$ 316,727,488	\$ 257,382,581	\$ 287,670,946	\$ 30,288,365	11.8%
Funds					
01 General Fund	\$ 246,744,542	\$ 177,557,185	\$ 191,249,312	\$ 13,692,127	7.7%
03 Special Fund	64,405,129	70,326,694	74,967,585	4,640,891	6.6%
05 Federal Fund	3,025,049	3,069,434	11,595,213	8,525,779	277.8%
09 Reimbursable Fund	2,552,768	6,429,268	9,858,836	3,429,568	53.3%
Total Funds	\$ 316,727,488	\$ 257,382,581	\$ 287,670,946	\$ 30,288,365	11.8%

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

**Fiscal Summary
DSP – Maryland State Police**

<u>Program/Unit</u>	<u>FY08 Actual</u>	<u>FY09 Wrk Approp</u>	<u>FY10 Allowance</u>	<u>Change</u>	<u>FY09 - FY10 % Change</u>
01 Office of the Superintendent	\$ 10,252,616	\$ 9,950,289	\$ 9,531,946	-\$ 418,343	-4.2%
02 Field Operations Bureau	147,851,985	155,878,463	173,700,677	17,822,214	11.4%
03 Homeland Security and Intelligence Bureau	27,607,124	29,923,039	38,014,257	8,091,218	27.0%
04 Support Services Bureau	55,253,588	52,119,638	56,107,835	3,988,197	7.7%
05 State Aid for Police Protection Fund	65,931,447	0	0	0	0%
07 Local Aid – Law Enforcement Grants	594,401	0	0	0	0%
08 Vehicle Theft Prevention Council	2,500,000	2,499,929	2,500,000	71	0%
01 Fire Prevention Services	6,736,327	7,011,223	7,816,231	805,008	11.5%
Total Expenditures	\$ 316,727,488	\$ 257,382,581	\$ 287,670,946	\$ 30,288,365	11.8%
General Fund	\$ 246,744,542	\$ 177,557,185	\$ 191,249,312	\$ 13,692,127	7.7%
Special Fund	64,405,129	70,326,694	74,967,585	4,640,891	6.6%
Federal Fund	3,025,049	3,069,434	11,595,213	8,525,779	277.8%
Total Appropriations	\$ 314,174,720	\$ 250,953,313	\$ 277,812,110	\$ 26,858,797	10.7%
Reimbursable Fund	\$ 2,552,768	\$ 6,429,268	\$ 9,858,836	\$ 3,429,568	53.3%
Total Funds	\$ 316,727,488	\$ 257,382,581	\$ 287,670,946	\$ 30,288,365	11.8%

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