

D11A0401
Office of the Deaf and Hard of Hearing

Operating Budget Data

(\$ in Thousands)

	<u>FY 10</u> <u>Actual</u>	<u>FY 11</u> <u>Working</u>	<u>FY 12</u> <u>Allowance</u>	<u>FY 11-12</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$291	\$321	\$325	\$4	1.2%
Contingent & Back of Bill Reductions	0	0	-5	-5	
Adjusted General Fund	\$291	\$321	\$320	-\$2	-0.5%
Adjusted Grand Total	\$291	\$321	\$320	-\$2	-0.5%

- The fiscal 2012 allowance for the Office of the Deaf and Hard of Hearing (ODHH) decreases by \$1,576, or 0.5%, compared to the fiscal 2011 working appropriation after accounting for across-the-board and contingent reductions. The major changes in the allowance occur in personnel expenditures.

Personnel Data

	<u>FY 10</u> <u>Actual</u>	<u>FY 11</u> <u>Working</u>	<u>FY 12</u> <u>Allowance</u>	<u>FY 11-12</u> <u>Change</u>
Regular Positions	2.00	3.00	3.00	0.00
Contractual FTEs	<u>1.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Personnel	3.00	3.00	3.00	0.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions

0.00 0.00%

Positions and Percentage Vacant as of 12/31/10

0.00 0.00%

- ODHH had no vacant positions as of December 31, 2010. Similar to other years, ODHH's fiscal 2012 allowance contains no adjustment for turnover expectancy.
- In the fiscal 2011 budget, one full-time equivalent contractual position in ODHH was converted to a regular position. As a result, ODHH has three regular positions and no contractual positions. There are no changes to the number of regular positions in the fiscal 2012 allowance.

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

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Analysis in Brief

Major Trends

Growth Continues in the Number of Requests for Information Received by ODHH: ODHH experienced growth in the number of requests for assistance received from both State and local governments and community stakeholders and constituents between fiscal 2008 and 2010. ODHH has pursued outreach activities for both types of organizations; funding constraints have altered the types of outreach undertaken, however.

Visibility of ODHH Leads to More Information Being Disseminated: ODHH experienced a 40% increase in the number of public announcements disseminated between fiscal 2009 and 2010. ODHH attributes this increase partially to its visibility in the community.

Recommended Actions

1. Concur with Governor's allowance.

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Office of the Deaf and Hard of Hearing

Operating Budget Analysis

Program Description

The Office of the Deaf and Hard of Hearing (ODHH) advocates for and promotes the general welfare of deaf and hard of hearing individuals in the State. The specific responsibilities of ODHH include:

- providing, advocating, and coordinating the adoption of public policies, regulations, and programs;
- improving access to communication and to existing services and programs;
- increasing public awareness of the needs and issues affecting deaf and hard of hearing individuals; and
- serving as an information clearinghouse on the needs and issues affecting deaf and hard of hearing individuals.

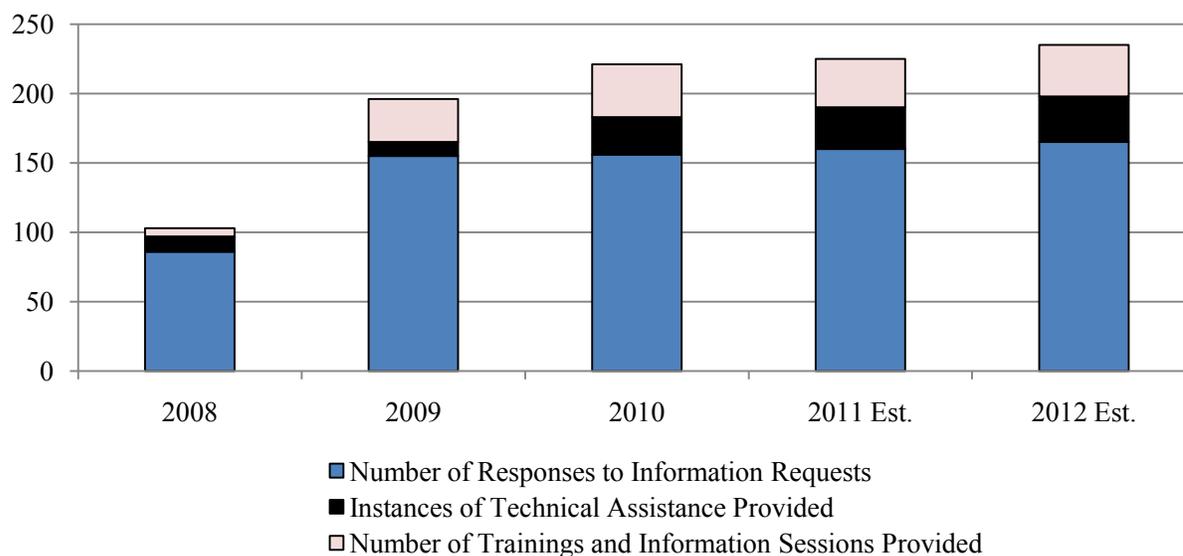
ODHH has two key goals. The first of these goals is that all deaf and hard of hearing citizens will have equal and full access to educational, health, and employment resources and have opportunities to fully participate in community life. The second key goal is that citizens of Maryland will be aware of the needs and issues affecting deaf and hard of hearing individuals.

Performance Analysis: Managing for Results

The number of requests received by ODHH from State and local governments more than doubled from 103 in fiscal 2008 to 221 in fiscal 2010. ODHH participated in a variety of outreach activities during fiscal 2009, such as exhibits, introductory meetings, and marketing training material. While outreach continued in fiscal 2010, the types of outreach have changed due to budget constraints. ODHH expects the number of requests to stabilize in fiscal 2011 and 2012.

As shown in **Exhibit 1**, the number of responses to information requests and number of trainings and information sessions provided to State and local governments have followed trends similar to the number of requests. The instances of technical assistance provided to State and local governments remained relatively unchanged between fiscal 2008 and 2009, but more than doubled in fiscal 2010.

Exhibit 1
Assistance to Government Agencies
Fiscal 2008-2012



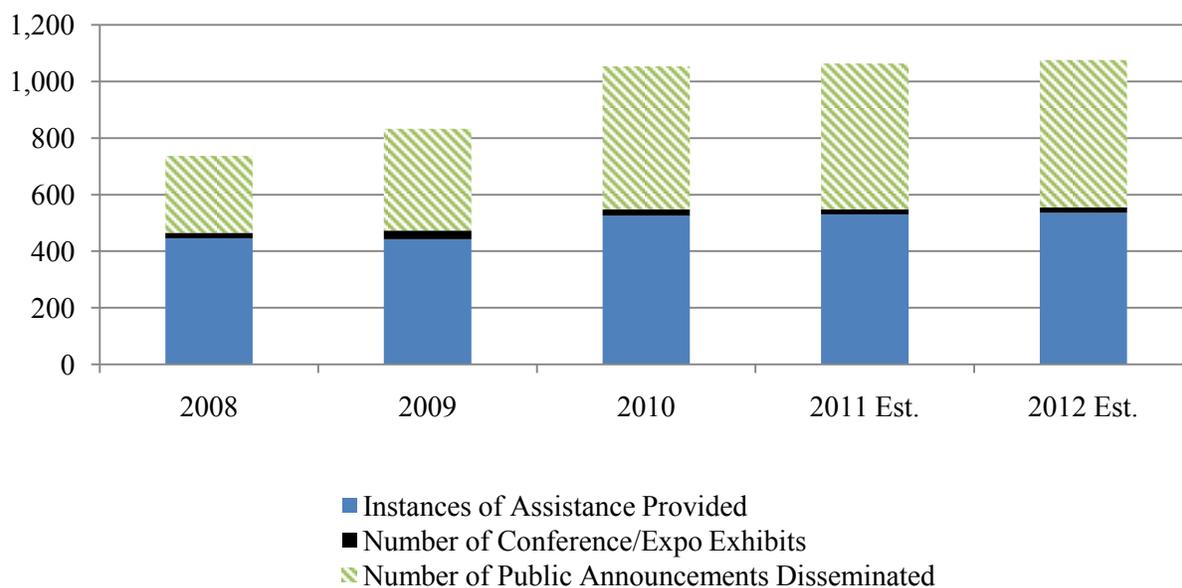
Source: Office of the Deaf and Hard of Hearing; Governor’s Budget Books

ODHH has also experienced growth in the number of requests for assistance received from community stakeholders and constituents, increasing from 737 in fiscal 2008 to 1,053 in fiscal 2010. Increased requests for assistance have resulted from outreach activities and increased visibility of the office. For example, ODHH has participated in activities of the Maryland Department of Veterans Affairs, which has led to more communication and requests for information from veterans with hearing loss. ODHH also explained that as a result of 2010 departmental legislation, which led to Maryland becoming the first state to mandate closed captioning in places of public accommodations, the department has become more visible in the community. Similar to outreach activities among State and local governments, ODHH reported that it has altered its focus in outreach activities due to fiscal constraints.

ODHH also explained that the increasing menu of information available on the agency’s website may limit the growth in the number of requests for information from community stakeholders and constituents.

A substantial area of growth in ODHH’s activities related to community stakeholders and constituents has been through the dissemination of public announcements. ODHH distributed 505 announcements in fiscal 2010, an increase of 40.0% over fiscal 2009 and an increase of 85.7% over fiscal 2008, as shown in **Exhibit 2**. Additional growth in this area is expected to be limited in fiscal 2011 and 2012. ODHH indicates that as the agency has become more visible in the community that not only has it received more requests for information, but that it has received more

Exhibit 2
Assistance to Community Stakeholders and Constituents
Fiscal 2008-2012



Source: Office of the Deaf and Hard of Hearing; Governor’s Budget Books

requests to disseminate information from State and local agencies that see the agency as a means to reach out to the community. ODHH also explained that the staff has attempted to stay current on issues in the community, which has led to increased dissemination of information.

After a slight decrease in the instances of assistance provided to community stakeholders and constituents between fiscal 2008 and 2009, the number of instances of assistance increased by approximately 18% in fiscal 2010.

Proposed Budget

As shown in **Exhibit 3**, ODHH’s fiscal 2012 allowance decreases by \$1,576, or 0.5%, compared to the fiscal 2011 working appropriation after accounting for across-the-board and contingent reductions.

The changes in the fiscal 2012 allowance occurs mainly in the area of personnel. Regular earnings increase to reflect the restoration of salaries from furlough reductions (\$5,677). Retirement contribution expenditures also increase (\$3,191) reflecting the contribution rates, which is partially

Exhibit 3
Proposed Budget
Office of the Deaf and Hard of Hearing
(\$ in Thousands)

How Much It Grows:	General Fund	Total
2011 Working Appropriation	\$321	\$321
2012 Allowance	<u>325</u>	<u>325</u>
Amount Change	\$4	\$4
Percent Change	1.2%	1.2%
 Contingent Reductions	 -\$5	 -\$5
Adjusted Change	-\$2	-\$2
Adjusted Percent Change	-0.5%	-0.5%

Where It Goes:

Personnel Expenses

Regular earnings due to restoration of salaries from furlough reductions	\$6
Employee retirement contributions (net of contingent reductions)	1
Employee and retiree health insurance (net of contingent and across-the-board reductions)....	-10

Other Changes

Administrative expenditures including rent for parking garage use, the statewide personnel system, computer replacement, insurance, subscriptions, and association dues	1
Advertising expenses for exhibitions to reflect recent experience	1
Communications to reflect recent experience	1
Expenditures for office equipment repairs, other contractual services, and grants to advocacy organizations to reflect anticipated expenditures	-2

Total **-\$2**

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

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offset by a contingent reduction discussed below. These increases are more than offset by employee and retiree health insurance (-\$6,630), which are further reduced by across-the-board and contingent reductions discussed below.

ODHH has realigned its budget to represent its recent experience in certain areas including advertising (an increase of \$1,000), office equipment repair (an increase of \$484), and association dues (\$300).

ODHH also plans to replace one computer workstation in fiscal 2012, as part of its three-year replacement cycle, an increase of \$450.

Impact of Cost Containment

The fiscal 2012 budget reflects several across-the-board actions. In fiscal 2012, ODHH's share of the reduction is \$1,150 in general funds for changes in employee health insurance. Reductions contingent upon statutory changes include \$1,903 in general funds for retiree prescription drug benefits and \$2,386 in general funds for retirement benefits.

Recommended Actions

1. Concur with Governor's allowance.

Current and Prior Year Budgets

Current and Prior Year Budgets Office of the Deaf and Hard of Hearing (\$ in Thousands)

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2010					
Legislative Appropriation	\$288	\$0	\$0	\$0	\$288
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	20	0	0	0	20
Cost Containment	-8	0	0	0	-8
Reversions and Cancellations	-9	0	0	0	-9
Actual Expenditures	\$291	\$0	\$0	\$0	\$291
Fiscal 2011					
Legislative Appropriation	\$321	\$0	\$0	\$0	\$321
Budget Amendments	0	0	0	0	0
Working Appropriation	\$321	\$0	\$0	\$0	\$321

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

Fiscal 2010

The fiscal 2010 general fund expenditures of ODHH were \$2,853 higher than the legislative appropriation. An increase of \$20,000 as a result of a realignment of health insurance expenses in some Executive agencies was partially offset by a decrease of \$7,976 in cost containment actions to reflect furlough savings. ODHH also cancelled \$9,171 due to lower than anticipated expenditures for salaries and wages and interpreter fees.

**Object/Fund Difference Report
Office of the Deaf and Hard of Hearing**

<u>Object/Fund</u>	<u>FY 10 Actual</u>	<u>FY 11 Working Appropriation</u>	<u>FY 12 Allowance</u>	<u>FY 11 - FY 12 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	2.00	3.00	3.00	0.00	0%
02 Contractual	1.00	0.00	0.00	0.00	0.0%
Total Positions	3.00	3.00	3.00	0.00	0%
Objects					
01 Salaries and Wages	\$ 194,023	\$ 273,182	\$ 275,852	\$ 2,670	1.0%
02 Technical and Spec. Fees	54,361	0	0	0	0.0%
03 Communication	4,563	3,745	4,715	970	25.9%
04 Travel	6,953	6,000	6,000	0	0%
06 Fuel and Utilities	492	635	635	0	0%
07 Motor Vehicles	4,030	3,780	4,200	420	11.1%
08 Contractual Services	17,175	24,835	23,938	-897	-3.6%
09 Supplies and Materials	1,125	1,390	1,390	0	0%
10 Equipment – Replacement	0	750	1,200	450	60.0%
11 Equipment – Additional	1,250	0	0	0	0.0%
12 Grants, Subsidies, and Contributions	0	170	0	-170	-100.0%
13 Fixed Charges	7,264	6,927	7,347	420	6.1%
Total Objects	\$ 291,236	\$ 321,414	\$ 325,277	\$ 3,863	1.2%
Funds					
01 General Fund	\$ 291,236	\$ 321,414	\$ 325,277	\$ 3,863	1.2%
Total Funds	\$ 291,236	\$ 321,414	\$ 325,277	\$ 3,863	1.2%

Note: The fiscal 2011 appropriation does not include deficiencies. The fiscal 2012 allowance does not include contingent reductions.