

D11A0401
Office of the Deaf and Hard of Hearing

Operating Budget Data

(\$ in Thousands)

	<u>FY 14</u> <u>Actual</u>	<u>FY 15</u> <u>Working</u>	<u>FY 16</u> <u>Allowance</u>	<u>FY 15-16</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$348	\$363	\$410	\$47	12.8%
Deficiencies and Reductions	0	10	-19	-29	
Adjusted General Fund	\$348	\$373	\$391	\$18	4.9%
Adjusted Grand Total	\$348	\$373	\$391	\$18	4.9%

Note: The fiscal 2015 working appropriation reflects deficiencies and the Board of Public Works reductions to the extent that they can be identified by program. The fiscal 2016 allowance reflects back of the bill and contingent reductions to the extent that they can be identified by program.

- The allowance includes a \$17,000 deficiency appropriation to increase funding for interpretation and real-time translation services for the Office of the Deaf and Hard of Hearing (ODHH).
- After accounting for that deficiency and cost containment actions in both fiscal 2015 and 2016, the allowance grows \$18,088, primarily through contractual employee salaries and the continuation of the deficiency, which add about \$17,000 each, offsetting the cost containment reductions.

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

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Personnel Data

	<u>FY 14 Actual</u>	<u>FY 15 Working</u>	<u>FY 16 Allowance</u>	<u>FY 15-16 Change</u>
Regular Positions	3.00	3.00	3.00	0.00
Contractual FTEs	<u>0.50</u>	<u>0.50</u>	<u>1.00</u>	<u>0.50</u>
Total Personnel	3.50	3.50	4.00	0.50

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions

0.00 0.00%

Positions and Percentage Vacant as of 12/31/14

0.00 0.00%

- The allowance increases the existing contractual full-time equivalent position by 0.5 to provide additional administrative support since ODHH relocated to a new space that is no longer shared with the Maryland Department of Disabilities.
- ODHH had no vacant positions as of December 31, 2014, and the 3.0-position office does not have a budgeted turnover expectancy.

Analysis in Brief

Major Trends

Fluctuations in Assistance Provided to Government, Community: A large part of the ODHH mission is providing assistance to government and civic organizations in working with the deaf and hard of hearing community. The instances of assistance and training provided has fluctuated over the past several years, largely due to leave-of-absences and vacancies among the small staff, though those problems have since stabilized. **The director should comment on what ODHH wants to achieve in fiscal 2016.**

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 Maryland. 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 is that all deaf and hard of hearing citizens will have equal and full access to education, health, and employment resources and have opportunities to fully participate in community life. The second 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

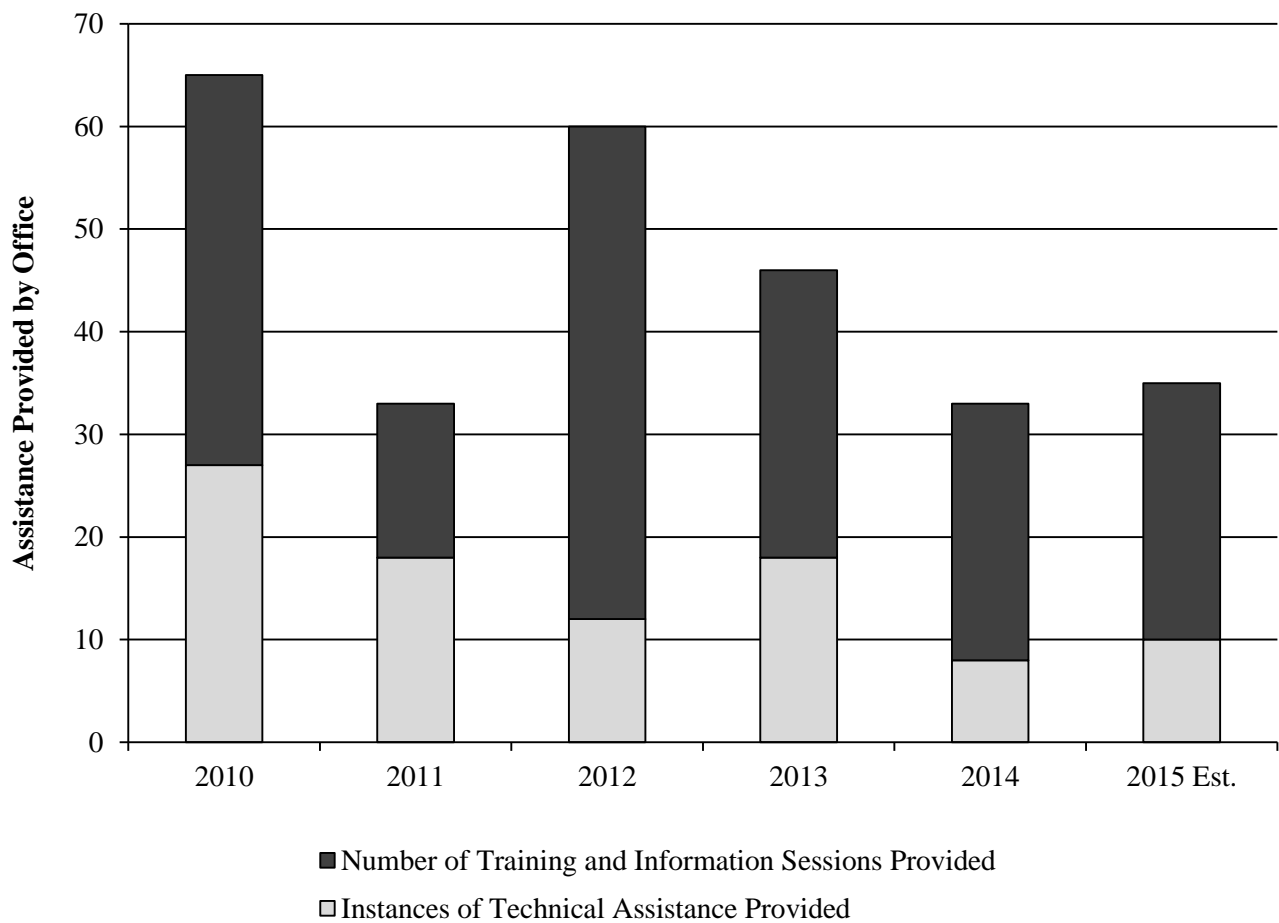
1. Fluctuations in Assistance Provided to Government, Community

A major part of ODHH's work is training and technical assistance provided to government agencies and the community. Training includes working with employers on their responsibilities with respect to compliance with the Americans with Disabilities Act and sensitivity and awareness training with Maryland hospitals, who also receive kits that aid in communication with deaf and hard of hearing individuals. Technical assistance includes meetings with counties to discuss employment discrimination issues, captioning the Governor's weather emergency livestream feeds, and discussing accessibility issues in prisons with the Department of Public Safety and Correctional Services.

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The amount of technical assistance and training provided by ODHH to State and local governments has fluctuated year to year, as shown in **Exhibit 1**. Totaling 60 or higher in fiscal 2010 and 2012, the number was 33 in both fiscal 2011 and 2014. In recent years, the small ODHH office (consisting of 3 regular positions, a contractual administrative assistant, and college interns) experienced extended leave-of-absences and vacancies, leading to the inability to offer as much training and assistance as may have otherwise occurred.

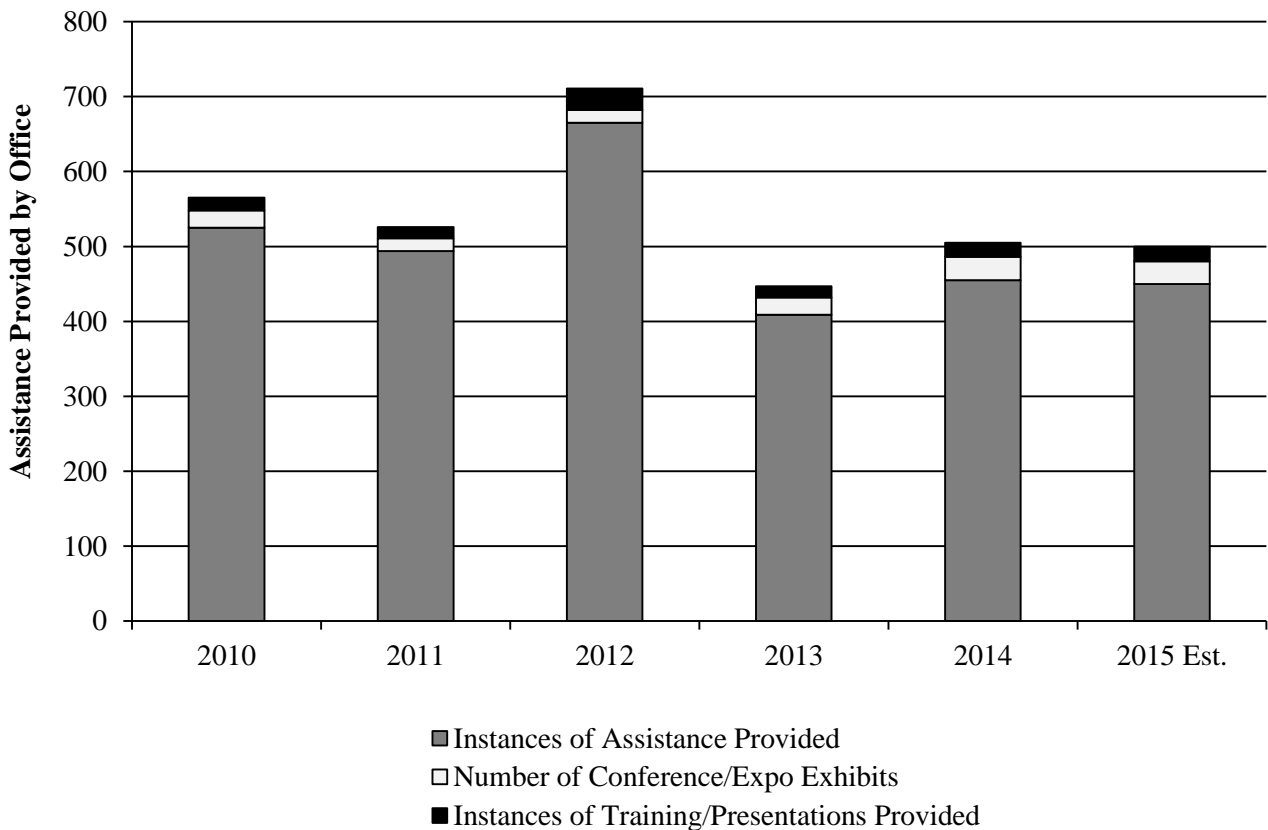
Exhibit 1
Assistance to Government Agencies
Fiscal 2010-2015 Est.



Source: Governor’s Budget Books, Fiscal 2013-2016

The number of training sessions and assistance provided to the Maryland community has also fluctuated since fiscal 2010, in addition to the number of conferences the office has been able to attend. As seen in **Exhibit 2**, the total number peaked in fiscal 2012 at 711 before falling to 477 in fiscal 2013 as training and assistance both declined. Similar to the results for its work with government agencies, this is largely due to long-term absences and vacancies with agency staff. ODHH reports that the turnover and vacancy issues of prior years have stabilized and that the office should be fully staffed and operational in coming years. **The director should comment on what ODHH wants to achieve in fiscal 2016.**

Exhibit 2
Assistance to Community Stakeholders and Constituents
Fiscal 2010-2015 Est.



Source: Governor’s Budget Books, Fiscal 2013-2016

Fiscal 2015 Actions

Proposed Deficiency

The Governor’s allowance includes a \$17,000 general fund deficiency to increase funding for interpretation and real-time translation services. The office currently has more deaf employees than it has historically, and accommodation for those individuals requires additional interpreters. In addition, the Advisory Council and Office have had greater engagement with the deafblind community, which requires greater interpretation needs, and expects to meet quarterly during fiscal 2015. This additional funding for interpretation and translation continues in the fiscal 2016 allowance.

Cost Containment

Exhibit 3 shows that ODHH’s fiscal 2015 budget was reduced by the Board of Public Works (BPW) as a part of statewide general fund spending reductions approved in January 2015. The \$7,261 reduction equates to a 2% reduction to the agency’s budget.

Exhibit 3
Fiscal 2015 Reconciliation
(\$ in Thousands)

<u>Action</u>	<u>Description</u>	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Legislative Appropriation with Budget Amendments		\$363	\$0	\$0	\$0	\$363
July BPW		0	0	0	0	0
Working Appropriation		\$363	\$0	\$0	\$0	\$363
January BPW Across the Board	2% across-the-board reduction.	-7	0	0	0	-7
Deficiency Appropriations		17	0	0	0	17
Total Actions Since January 2015		\$10	\$0	\$0	\$0	\$10
Adjusted Working Appropriation		\$373	\$0	\$0	\$0	\$373

BPW: Board of Public Works

Source: Department of Legislative Services

Proposed Budget

Exhibit 4 shows the changes from fiscal 2015 to 2016 in the Governor’s fiscal 2016 budget plan after accounting for the deficiency appropriation in fiscal 2015 and cost containment actions in both fiscal 2015 and 2016. Spending overall increases \$18,088. The biggest increase, which accounts for most of the growth in spending at ODHH, is in contractual employee salaries due to an additional 0.5 contractual full-time equivalent added in the allowance. Some one-time costs that associated with an office relocation in fiscal 2015 do not continue into fiscal 2016, and spending decreases \$4,150 as a result.

Exhibit 4
Proposed Budget
Office of the Deaf and Hard of Hearing
(\$ in Thousands)

How Much It Grows:	General Fund	Total
Fiscal 2014 Actual	\$348	\$348
Fiscal 2015 Working Appropriation	373	373
Fiscal 2016 Allowance	<u>391</u>	<u>391</u>
Fiscal 2015-2016 Amt. Change	\$18	\$18
Fiscal 2015-2016 Percent Change	4.9%	4.9%
 Where It Goes:		
Personnel Expenses		
Employee and retiree health insurance		\$13
Employee retirement.....		3
Regular earnings (prior to cost containment).....		2
Section 20: 2% pay cut		-4
Section 21: abolition of employee increments		-7
Other Changes		
Contractual employee payments		17
Office supplies and materials		-1
Travel.....		-2
One-time costs associated with office relocation.....		-4
Net change in fiscal 2015 and 2016 cost containment actions		-1
Other		1
Total		\$18

Note: Numbers may not sum to total due to rounding. The fiscal 2015 working appropriation reflects deficiencies and the Board of Public Works reductions to the extent that they can be identified by program. The fiscal 2016 allowance reflects back of the bill and contingent reductions to the extent that they can be identified by program.

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Under personnel expenses, the biggest increase is for employee and retiree health insurance, which grows \$12,839. Retirement contributions increase \$3,476, while regular salary spending increases \$2,347 before back of the bill cost containment reductions. Section 20 of the budget bill reduces employee compensation by 2% while Section 21 deletes increments that had been budgeted in the agencies.

Cost Containment

In addition to Section 20 and 21 of the budget bill, Section 19 applies an across-the-board reduction. ODHH's share of this reduction in fiscal 2016 is \$8,000, or 2% of its general fund budget.

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</u> <u>Fund</u>	<u>Special</u> <u>Fund</u>	<u>Federal</u> <u>Fund</u>	<u>Reimb.</u> <u>Fund</u>	<u>Total</u>
Fiscal 2014					
Legislative Appropriation	\$329	\$0	\$0	\$0	\$329
Deficiency Appropriation	18	0	0	0	18
Budget Amendments	5	0	0	0	5
Reversions and Cancellations	-4	0	0	0	-4
Actual Expenditures	\$348	\$0	\$0	\$0	\$348
Fiscal 2015					
Legislative Appropriation	\$361	\$0	\$0	\$0	\$361
Cost Containment	0	0	0	0	0
Budget Amendments	2	0	0	0	2
Working Appropriation	\$363	\$0	\$0	\$0	\$363

Note: Numbers may not sum to total due to rounding. The fiscal 2015 working appropriation does not include January 2015 Board of Public Works reductions and deficiencies.

Fiscal 2014

The ODHH legislative appropriation received a total of \$17,508 in deficiency appropriations. An increase of \$26,092 to pay for the relocation of the ODHH office was offset by several statewide actions totaling \$8,584. The reductions included employee and retiree health insurance, spending on a new personnel information technology system, and retirement reinvestment.

Two budget amendments for the employee cost-of-living adjustment (COLA) and increments increased the agency's budget by an additional \$5,120.

Lower than budgeted spending on travel and communications allowed for a \$3,918 reversion to the general fund at the end of the fiscal year.

Fiscal 2015

The legislative appropriation of \$360,573 in general funds was increased by \$2,493 to account for the fiscal 2015 employee COLA.

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

<u>Object/Fund</u>	<u>FY 14 Actual</u>	<u>FY 15 Working Appropriation</u>	<u>FY 16 Allowance</u>	<u>FY 15 - FY 16 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	3.00	3.00	3.00	0.00	0%
02 Contractual	0.50	0.50	1.00	0.50	100.0%
Total Positions	3.50	3.50	4.00	0.50	14.3%
Objects					
01 Salaries and Wages	\$ 247,373	\$ 273,470	\$ 292,622	\$ 19,152	7.0%
02 Technical and Spec. Fees	3,937	11,225	28,623	17,398	155.0%
03 Communication	2,783	2,975	2,990	15	0.5%
04 Travel	4,255	6,000	4,000	-2,000	-33.3%
06 Fuel and Utilities	856	1,500	1,500	0	0%
07 Motor Vehicles	3,250	4,200	4,200	0	0%
08 Contractual Services	42,908	30,183	45,570	15,387	51.0%
09 Supplies and Materials	6,140	7,000	5,837	-1,163	-16.6%
10 Equipment – Replacement	7,761	1,650	0	-1,650	-100.0%
11 Equipment – Additional	14,140	500	0	-500	-100.0%
13 Fixed Charges	14,408	24,363	24,355	-8	0%
Total Objects	\$ 347,811	\$ 363,066	\$ 409,697	\$ 46,631	12.8%
Funds					
01 General Fund	\$ 347,811	\$ 363,066	\$ 409,697	\$ 46,631	12.8%
Total Funds	\$ 347,811	\$ 363,066	\$ 409,697	\$ 46,631	12.8%

Note: The fiscal 2015 working appropriation does not include January 2015 Board of Public Works reductions and deficiencies. The fiscal 2016 allowance does not reflect contingent or across-the-board reductions.

**Fiscal Summary
Office of the Deaf and Hard of Hearing**

<u>Program/Unit</u>	FY 14	FY 15	FY 16	FY 15 - FY 16	
	<u>Actual</u>	<u>Wrk Approp</u>	<u>Allowance</u>	<u>Change</u>	<u>% Change</u>
0001 Office of the Deaf and Hard of Hearing	\$ 347,811	\$ 363,066	\$ 409,697	\$ 46,631	12.8%
Total Expenditures	\$ 347,811	\$ 363,066	\$ 409,697	\$ 46,631	12.8%
General Fund	\$ 347,811	\$ 363,066	\$ 409,697	\$ 46,631	12.8%
Total Appropriations	\$ 347,811	\$ 363,066	\$ 409,697	\$ 46,631	12.8%

Note: The fiscal 2015 working appropriation does not include January 2015 Board of Public Works reductions and deficiencies. The fiscal 2016 allowance does not reflect contingent or across-the-board reductions.