

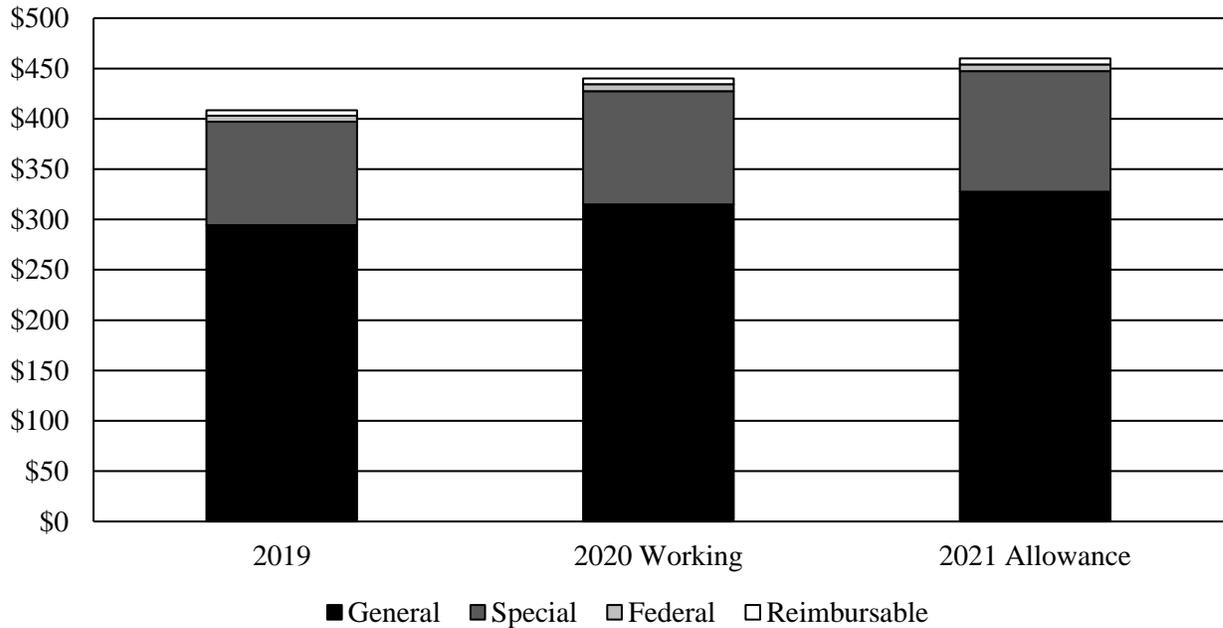
W00A
Department of State Police

Executive Summary

The Department of State Police (DSP) is a full-service law enforcement agency serving the entire State with a primary directive of reducing crime and highway tragedies through statewide patrol and enforcement of criminal and traffic laws. The department also includes the Vehicle Theft Prevention Council, the Fire Prevention Commission, and Office of the State Fire Marshal.

Operating Budget Summary

Budget Increases \$19.6 Million or 4.5% to \$459.9 Million in Fiscal 2021
(\$ in Millions)



Note: Numbers may not sum due to rounding. The fiscal 2020 appropriation includes deficiencies, planned reversions, and general salary increases. The fiscal 2021 allowance includes contingent reductions and general salary increases.

- Statewide personnel adjustments account for a majority of the budget growth in fiscal 2021. Adjustments provided to members of the State Law Enforcement Officers Labor Alliance total approximately \$12.8 million.

Key Observations

- ***Speed Camera Revenues:*** The fiscal 2021 allowance increases the special fund appropriation from speed camera revenues to \$8.1 million, which supports fleet management expenses. Historical spending suggests that this revenue source will not reach the budgeted threshold and will likely require additional general funds to backfill the lack of special funds to support fleet management efforts.
- ***State’s Role in Fighting Crime in Baltimore City Remains Unclear:*** DSP, through its work with the Maryland Strike Force 7, must submit performance metrics to the federal partners, as required by the federal Organized Crime Drug Enforcement Task Force program; these metrics are not reported to the General Assembly or to the public. Additionally, while DSP was expected to receive \$3.6 million in funding for the Baltimore Regional Intelligence Center in fiscal 2020, these funds are expected to be reverted; the department received partial year funding through a fiscal 2020 deficiency but only receives \$2.7 million in fiscal 2021. As such, the outcomes related to State funds provided to fight crime in Baltimore City remains unclear.
- ***Ongoing Civilianization Efforts:*** To date, DSP has civilianized 20 of 84 positions that the department recognized as eligible for civilianization. The Department of Legislative Services estimates that \$2.3 million in annual cost savings can be realized each year if all 84 positions are civilianized. However, the department received 10 additional civilian positions to assist in returning sworn personnel to active duty, which negates these savings.
- ***2018 Uniform Crime Report:*** As of February 2020, the 2018 *Uniform Crime Report* has not yet been submitted despite assurances that all local reporting agencies have provided the necessary data.
- ***Transition to the National Incident-based Reporting System:*** The Federal Bureau of Investigation requires that all law enforcement agencies transition to the National Incident Based Reporting System (NIBRS) to report crime data by January 1, 2021. The record management system (RMS), referred to as the “Mini-RMS,” is the online platform that is a free reporting system for local agencies to ease the burden of the Maryland NIBRS transition for smaller reporting agencies. Despite the availability of federal funding to support this transition, it is not clear how DSP has assisted local agencies to apply for this funding.

Operating Budget Recommended Actions

1. Adopt language restricting funds pending confirmation of the civilianization of at least 5 positions.

Funds **Positions**

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2. Add language authorizing the Department of State Police to process a budget amendment recognizing additional special fund revenues.
 3. Reduce special fund revenues in line with fiscal 2019 actual revenues. \$ 4,600,000
 4. Add language restricting funds pending receipt of a report providing an update on the transition to the National Incident Based Reporting System.
 5. Adopt language requesting a joint report providing an update on the performance of the Baltimore City Crime Prevention Initiative.
 6. Add budget bill language restricting \$1,000,000 of the general fund appropriation until the submission of the 2019 Uniform Crime Report.
- Total Reductions** **\$ 4,600,000**

Updates

- Contractual disputes delayed the deployment of the Automated Licensing and Registration Tracking System to fiscal 2021. DSP and the Department of Information Technology explained that a new vendor has been hired to complete the necessary modules, and there have been no changes to the project's scope.

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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;
- the Field Operations Bureau;
- the Criminal Investigation Bureau; and
- the Support Services Bureau.

Within these functions, the department 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 and 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. The department also includes the Vehicle Theft Prevention Council, the Fire Prevention Commission, and the Office of the State Fire Marshal (OSFM), which are charged with safeguarding life and property from the hazards of fire and explosion.

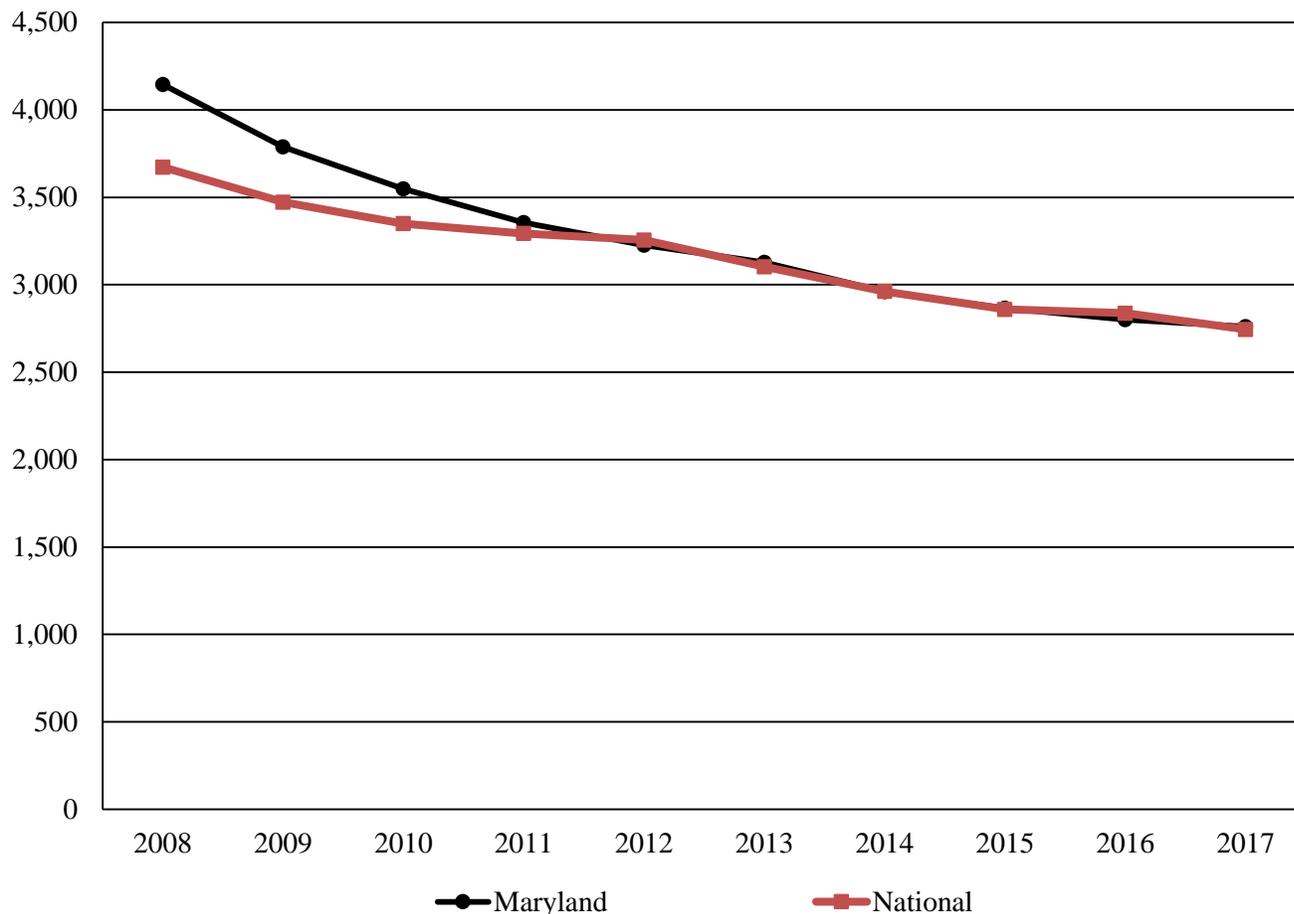
Performance Analysis: Managing for Results

1. Crime Rate in Maryland on Par with Nation, but Murder Rate Remains High

DSP is responsible for collecting crime data from local law enforcement agencies and compiling the information into Maryland's *Uniform Crime Report* (UCR); this data is submitted to the Federal Bureau of Investigation (FBI) and is published annually in the *Crime in Maryland: Uniform Crime Report*. The most recent publication of this report is the 2017 volume.

Once well above the national crime rate, the number of offenses per 100,000 people in Maryland has dropped significantly over the past decade, as shown in **Exhibit 1**. In calendar 2008, the crime rate in Maryland was nearly 13% higher than that of the United States. Since then, Maryland has stayed on pace with the United States total as both rates declined. In 2017, there were 2,761 offenses per 100,000 people reported in Maryland, just 0.5% above the national average.

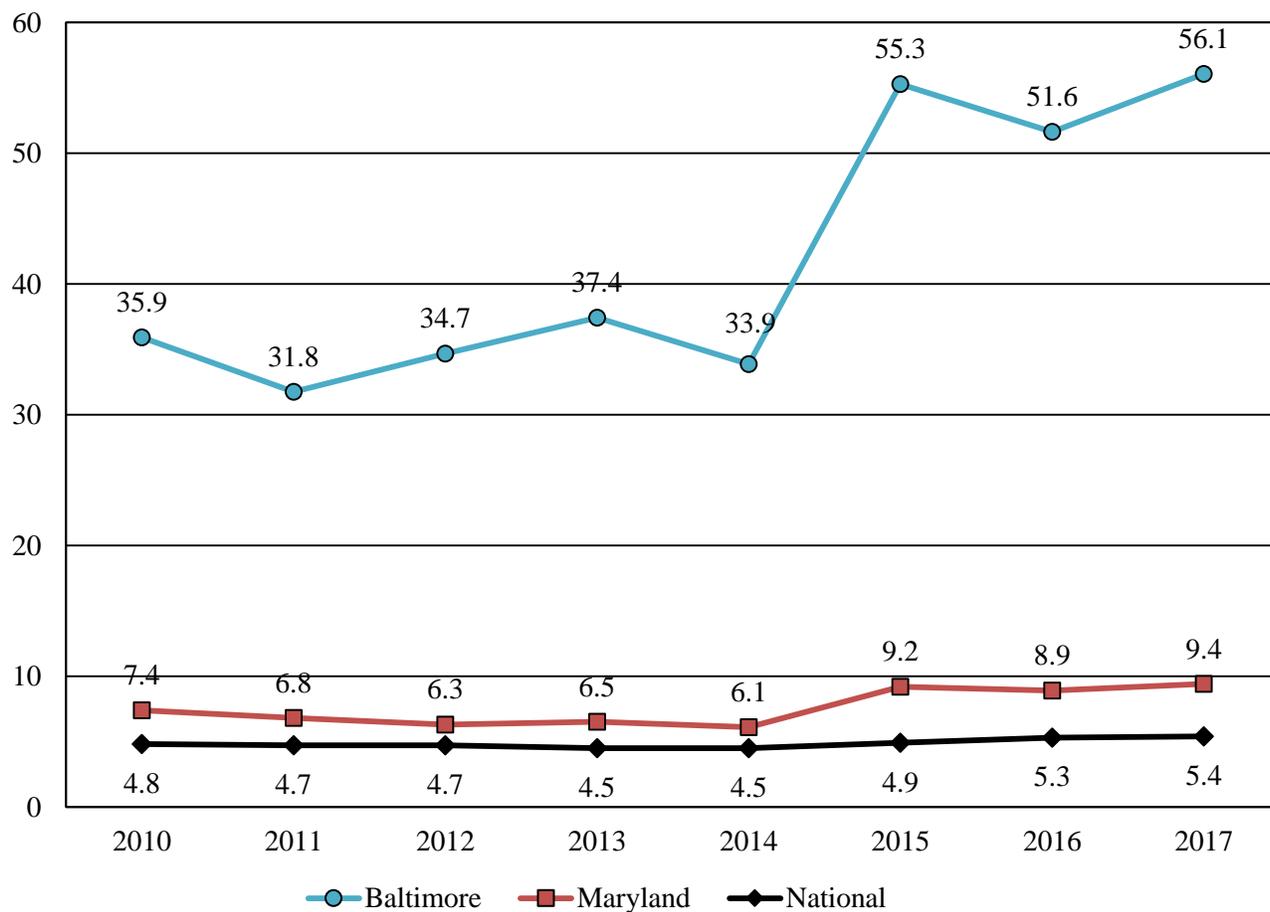
Exhibit 1
Maryland and National Crime Trends
Criminal Offenses Per 100,000 of Population
Calendar 2008-2017



Source: 2017 *Uniform Crime Report*; Federal Bureau of Investigation

Still, Maryland’s murder rate remains well above the national rate, as illustrated in **Exhibit 2**, and is currently the highest it has been in the past decade. In 2017, Maryland had 9.4 murders per 100,000 – a 6.5% increase over 2016; the United States had 5.4 murders per 100,000 in 2017. Since the murder rate in Maryland spiked in 2015, the State has outpaced the national average by approximately 4.0 murders per 100,000 each year.

Exhibit 2
Baltimore City, State, and National Crime Trends
Murders Per 100,000 of Population
Calendar 2010-2017



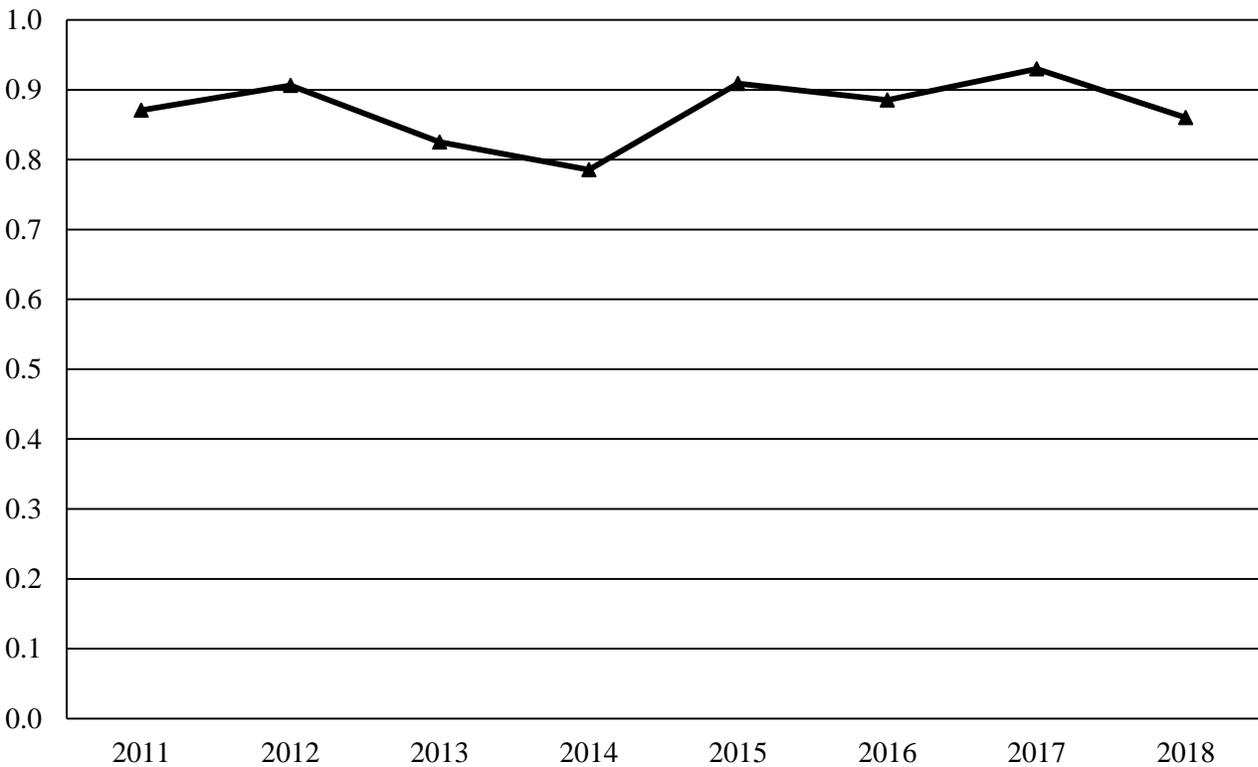
Source: 2017 Uniform Crime Report; Federal Bureau of Investigation; U.S. Census Bureau

The rate of murders per 100,000 in Baltimore City is significantly higher than that of Maryland and the United States. Between 2010 and 2017, murders occurred, on average, 5.5 times more often in Baltimore than in Maryland overall. As is discussed later in this analysis, DSP is involved in several initiatives to address crime in Baltimore City, including the Baltimore City Crime Prevention Initiative (BCCPI).

2. Traffic Fatalities and Impaired Driving Fatalities Declined

Traffic fatalities in Maryland reached a peak of 557 fatalities, or 0.930 fatalities per 100 million vehicle miles travelled (VMT), as shown in **Exhibit 3**. In calendar 2018, fatalities fell 7.5% to 0.860 fatalities per 100 million VMT.

Exhibit 3
Traffic Fatalities Per 100 Million VMT
Calendar 2011-2018

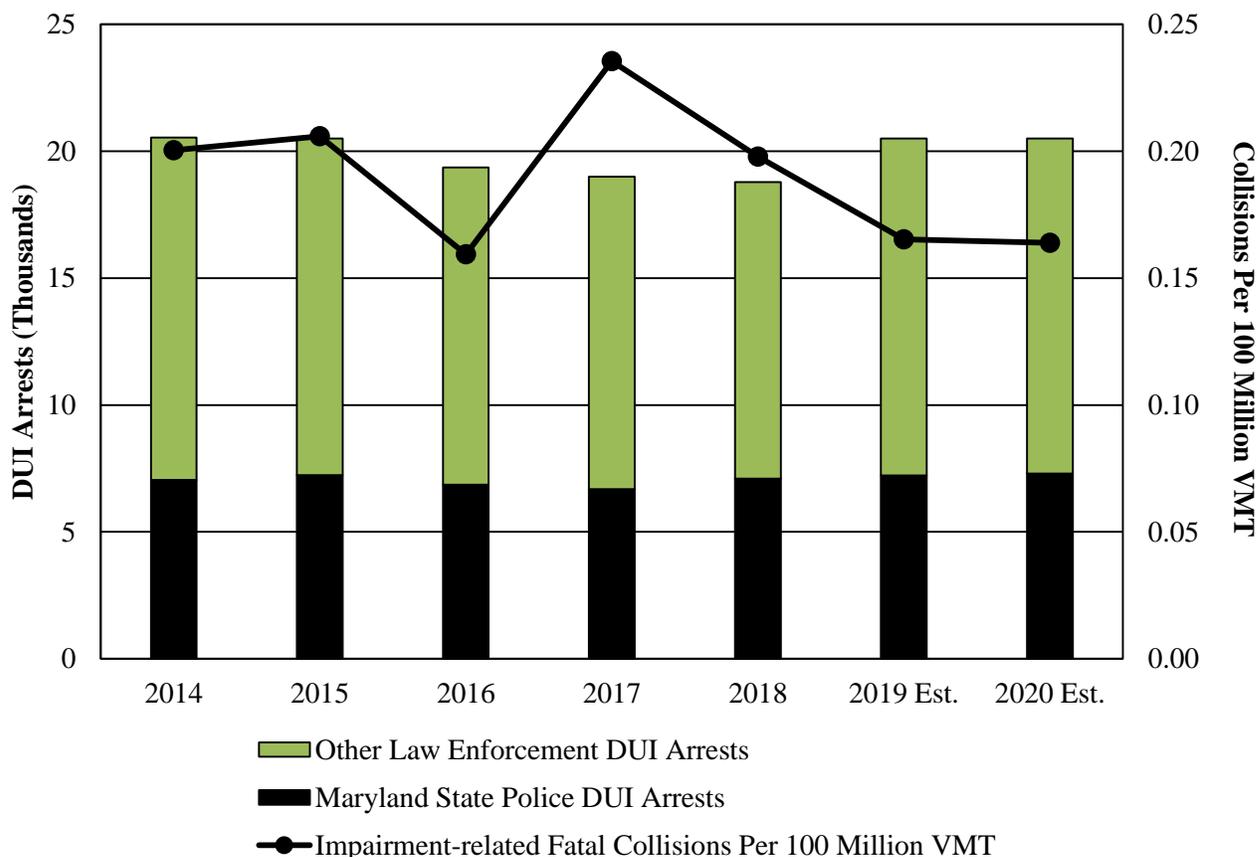


VMT: vehicle miles travelled

Source: Governor’s Fiscal 2021 Budget Books

Enforcement of driving under the influence (DUI) laws is shared among several law enforcement agencies, though DSP reports total arrests and fatalities in their Managing for Results submissions. **Exhibit 4** details the number of arrests by DSP, other law enforcement agencies, and the number of impairment related fatal collisions per 100 million VMT since 2014. The rate of fatal collisions per 100 million VMT reached a peak in 2017 at 0.24 and fell to 0.20 in 2018.

Exhibit 4
DUI Arrest and Fatal Collisions Per 100 Million VMT
Calendar 2014-2020 Est.



DUI: driving under the influence
 VMT: vehicle miles travelled

Source: Governor’s Fiscal 2021 Budget Books

The total number of DUI arrests across all Maryland police agencies remained relatively stable over the past year, decreasing by 208 arrests, or 1%, between 2017 and 2018. Since 2014, the number fell by 1,754, or 8.5%.

3. Maryland Strike Force 7 Begins Operations

As discussed later in this analysis, the Maryland Strike Force 7 (the Strike Force) is a special operations unit within BCCPI and is led by officers of DSP. The initiative is part of the larger Organized

Crime Drug Enforcement Task Force operation in Baltimore City. The Strike Force collects various performance metrics and reports them to federal partners. **Exhibit 5** shows select metrics collected for the federal fiscal 2019 reporting period. It is important to note that the Strike Force was not operational until March 2019, and, as such, these metrics will likely improve in future reporting periods.

Exhibit 5
Maryland Strike Force 7
Select Performance Metrics
Federal Fiscal 2019

Total Criminal Cases Initiated	31
Arrests	13
Search Warrants Executed	23
Seizures	
Cocaine (kg)	0.16
Heroin (kg)	0.15
Fentanyl (kg)	0.16
Marijuana (kg)	40.76
Methamphetamine (kg)	0.11
Currency Seized	\$9,506
Weapons	15

kg: kilogram

Note: Maryland Strike Force 7 began operations in March 2019, approximately halfway through the federal fiscal 2019 reporting period.

Source: Department of State Police

Fiscal 2019

The Office of Legislative Audits (OLA) released the *Statewide Review of Budget Closeout Transactions for Fiscal Year 2019* report in January 2020. OLA found that, in fiscal 2019, DSP had a year-end deficit in its special fund balance, totaling \$485,000. This deficit is part of a long-standing issue, previously discussed in OLA’s fiscal compliance audit released in 2015; at that time, it totaled \$830,000. To address this deficit, DSP allocated a total of \$172,000 in funds collected through the salvage vehicle inspection program, reducing the deficit to its current balance, as authorized by the Department of Budget and Management (DBM). This finding was also included in DSP’s 2018 Fiscal Compliance Audit that was released in September 2019 and is summarized in **Appendix 2**.

Fiscal 2020

Proposed Deficiency

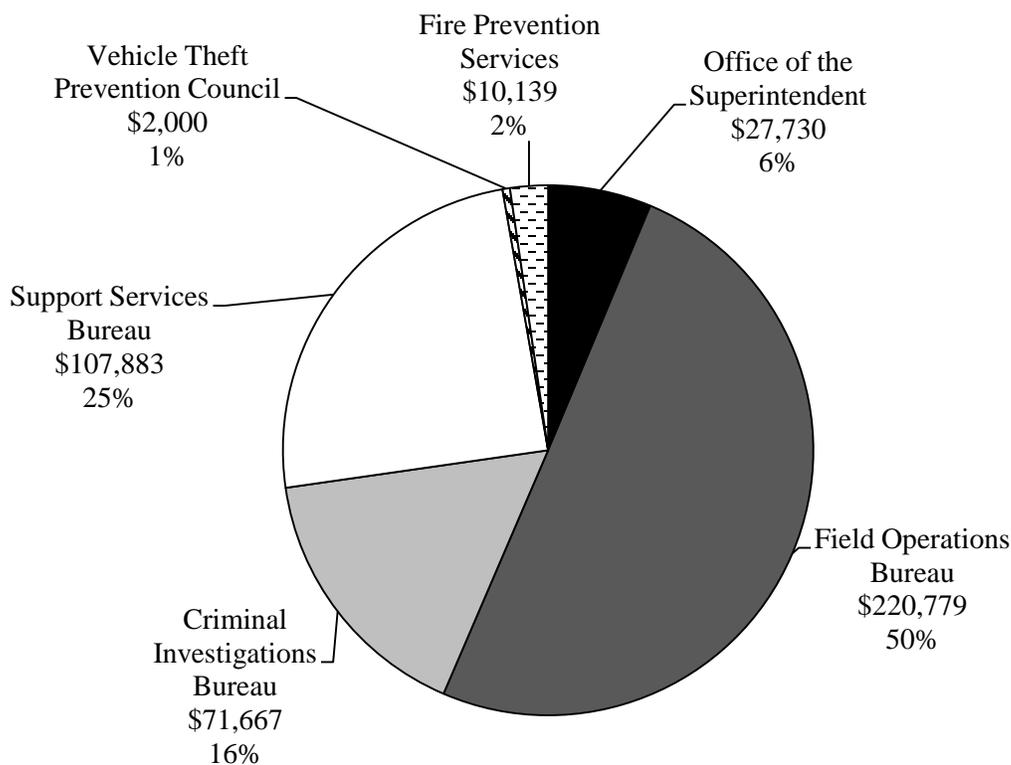
DSP receives a fiscal 2020 deficiency appropriation of \$4.2 million for three main purposes:

- ***Operational Expenses Associated with the Baltimore Regional Intelligence Center (BRIC):*** A total of \$1.6 million is provided to fund 13 regular positions and various operational expenses within BRIC. The deficiency covers partial year expenses for fiscal 2020.
- ***Negotiated Fitness and Education Bonuses for State Law Enforcement Officer Labor Alliance (SLEOLA) Members:*** A departmentwide SLEOLA fitness and education bonus is provided to sworn personnel. The bonus funding totals \$830,000.
- ***Unanticipated Cost Increases for Necessary Supplies:*** Deficiency funding is provided to offset the cost of fuel increases, totaling \$956,316, and to replace bulletproof vests, totaling \$795,603.

Fiscal 2021 Overview of Agency Spending

DSP's budget totals \$459.9 million in fiscal 2021. **Exhibit 6** shows how these funds are allocated by program.

Exhibit 6
Overview of Agency Spending
Fiscal 2021 Allowance
(\$ in Thousands)



Note: These figures do not include contingent reductions, cost-of-living adjustments, or State Law Enforcement Officer Labor Alliance adjustments budgeted statewide in the fiscal 2021 allowance.

Source: Governor’s Fiscal 2021 Budget Books

The Office of the Superintendent establishes departmental policy and provides direction for the Maryland State Police. The fiscal 2021 allowance provides \$27.7 million, or 6.3%, for this program.

The Field Operations Bureau receives the largest share of the overall allowance – 50.2%, or \$220.8 million. The bureau oversees 23 police barracks throughout the State and works to maintain public safety and deter criminal activity. Several divisions operate within the Field Operations Bureau, including the Automotive Safety Enforcement Division, the Commercial Vehicle Enforcement Division, and patrol operations along the John F. Kennedy Memorial Highway. The Field Operations

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Bureau also accounts for the largest share of DSP’s personnel, with 1,301 authorized positions (54.5% of the department).

The Criminal Investigations Bureau directs the investigative and forensic operations of the department. Totalling \$71.7 million, this bureau represents 16.3% of DSP’s fiscal 2021 allowance. The divisions within this bureau include the Investigation Command, the Criminal Enforcement Division, the Forensic Sciences Division, and the Licensing Division.

The Support Services Bureau receives \$107.9 million in fiscal 2021, accounting for nearly one-quarter of the department’s overall allowance. The bureau is comprised of three distinct commands: the Personnel Command; the Technology Information Management Command; the Logistics Command; and the Maryland State Police Aviation Command (MSPAC). Operations of this bureau include the Training Division and the Information Technology Division.

The Vehicle Theft Prevention Council assists in the prevention of vehicle theft and other vehicle-related crimes. The council develops statewide programs and strategies to promote community policing and awareness of vehicular crimes. The council allocates a total of \$2.0 million from the Vehicle Theft Prevention Fund for such programs. This accounts for 0.5% of the total allowance.

OSFM conducts arson-related investigations and ensures compliance with State Fire Prevention Code. OSFM accounts for \$10.1 million (2.3%) of the total allowance.

Proposed Budget Change

DSP’s fiscal 2021 allowance increases by \$19.6 million over the fiscal 2020 working appropriation. Additional detail for how DSP’s proposed budget changes in fiscal 2021 is shown in **Exhibit 7**.

Exhibit 7
Proposed Budget
Department of State Police
(\$ in Thousands)

How Much It Grows:	General Fund	Special Fund	Federal Fund	Reimb. Fund	Total
Fiscal 2019 Actual	\$294,240	\$102,724	\$6,138	\$5,521	\$408,622
Fiscal 2020 Working Appropriation	314,839	112,744	6,925	5,725	440,232
Fiscal 2021 Allowance	<u>327,519</u>	<u>119,696</u>	<u>6,925</u>	<u>5,727</u>	<u>459,867</u>
Fiscal 2020-2021 Amount Change	\$12,681	\$6,952	\$0	\$2	\$19,634
Fiscal 2020-2021 Percent Change	4.0%	6.2%			4.5%
Where It Goes:					<u>Change</u>
Personnel Expenses					
Net impact of fiscal 2020 1% general salary increase					\$2,549
Employee and retiree health insurance					2,330
Net change in overtime earnings to align with fiscal 2019 actual expenditures					1,417
Fiscal 2021 2% COLA.....					958
Other fringe benefit adjustments.....					947
Net adjustment of transfer of 13 PINs from GOCPYVS to DSP to staff the Baltimore Regional Intelligence Center					826
State Employee Retirement System.....					426
Law Enforcement Officer Pension System.....					340
Position reclassification					14
Unemployment contributions					-11
Abolishment of 5 regular positions.....					-273
Turnover adjustments					-313
State Police Retirement System					-604
Social Security contributions					-644
Workers' compensation premium assessment					-1,090
Negotiated SLEOLA Adjustments					
SLEOLA collective bargaining agreement of 4% COLA effective July 1, 2020.....					8,947
SLEOLA collective bargaining agreement step increase					4,668
One-time fiscal 2020 deficiency to fund negotiated fitness and education bonuses for SLEOLA members					-830
Other Changes					
Computer and software maintenance.....					960
Vehicle fleet maintenance expenses					555
Additional laboratory equipment					500
Other changes					378

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Where It Goes:	<u>Change</u>
700 MHz radio system operating costs.....	374
Net impact of fiscal 2020 deficiency to offset fuel cost increases.....	-259
Department of Information Technology services allocation.....	-295
One time fiscal 2020 deficiency for bulletproof vests.....	-796
Reduction of anticipated speed camera revenues to align with actual revenues.....	-1,440
Total	\$19,634

COLA: cost-of-living adjustment

DSP: Department of State Police

GOCPYVS: Governor’s Office of Crime Prevention, Youth, and Victim Services

MHz: megahertz

SLEOLA: State Law Enforcement Officer Labor Alliance

Note: Numbers may not sum due to rounding. The fiscal 2020 appropriation includes deficiencies, planned reversions, and general salary increases. The fiscal 2021 allowance includes contingent reductions and general salary increases.

Personnel Expenses

A significant portion of this increase is due to statewide personnel adjustments. Personnel expenses, not including those resulting from SLEOLA negotiations, explain \$6.9 million of this increase. The annualization of a fiscal 2020 1% general salary increase results in a \$2.5 million increase, while a 2% cost-of-living adjustment (COLA) accounts for an approximately \$958,000 increase. Overtime earnings increased by a net of \$1.4 million to better align with actual expenditures in fiscal 2019.

Negotiated SLEOLA Adjustments

Several negotiated SLEOLA adjustments are included in the fiscal 2021 budget. A 4% COLA accounts for \$8.9 million in additional personnel expenses in the fiscal 2021 budget. It is expected that DBM will provide an additional 1% COLA to SLEOLA members through a supplemental budget, bringing the total COLA to 5% in accordance with the union’s negotiated agreement. A step increase for SLEOLA members increases the department’s budget by \$4.7 million. Finally, a fiscal 2020 deficiency appropriation provided approximately \$830,000 in funding for the SLEOLA fitness and education bonus; this one-time funding was not carried forward into fiscal 2021 and therefore is shown as a decrease in Exhibit 7. These adjustments account for a net increase of \$12.8 million out of the \$19.7 million in total personnel expenditure growth.

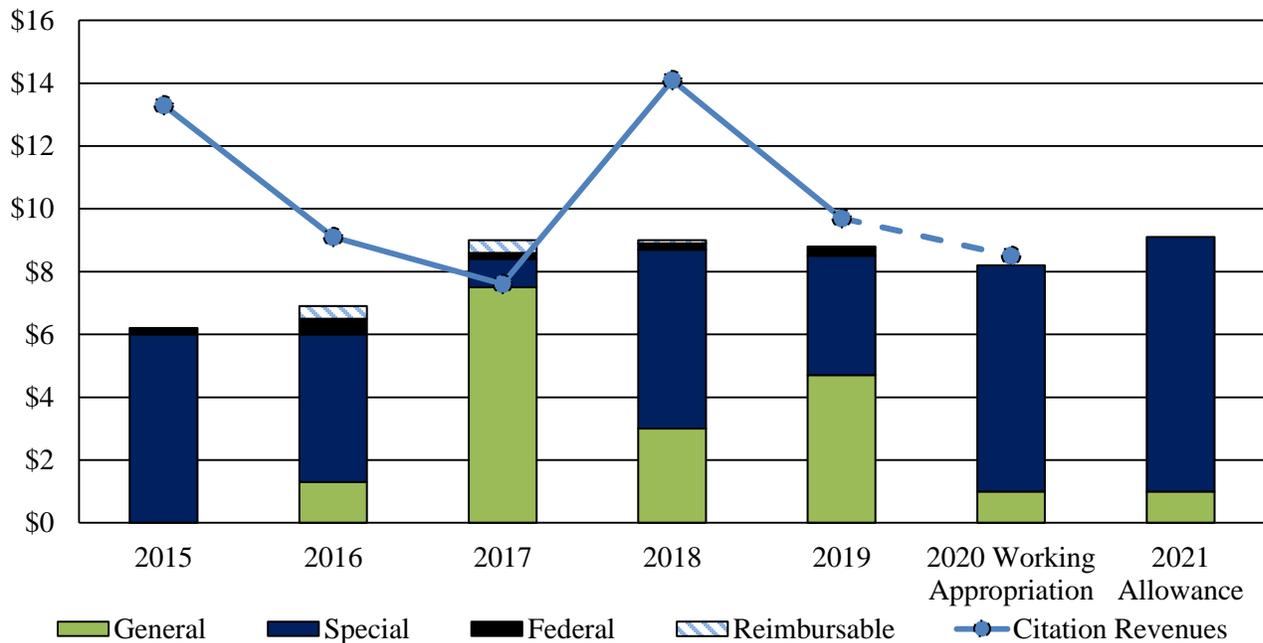
Funding for Fleet Management

Under the automated speed camera program, DSP receives speed camera special fund revenues to support the program’s operations and to fund the acquisition of replacement vehicles for its fleet. The Maryland Department of Transportation estimates total speed camera revenues of \$8.5 million in

fiscal 2020, below the fiscal 2019 revenues of \$9.7 million and well below the high of \$14.1 million in fiscal 2018. DSP’s fiscal 2021 allowance provides \$1.0 million in general funds and \$8.1 million in special funds to purchase replacement vehicles. While the general fund appropriation remains level, the special fund appropriation increases \$850,000 over fiscal 2020. The increase in anticipated special funds is concerning, as speed camera revenues have largely been on the decline.

As shown in **Exhibit 8**, actual special fund revenues frequently fall short of the special fund appropriation, requiring DSP to supplement the special fund revenues from other fund sources. In fiscal 2019, DSP’s budget anticipated \$7.2 million in special fund revenues in addition to \$1.0 million in general funds; only \$3.8 million, however, was provided, requiring \$4.7 million in general funds and \$275,769 in federal funds to cover vehicle acquisition costs. To that end, it is unlikely that \$8.1 million in speed camera citation revenues will be attained to support vehicle purchases in fiscal 2021. DSP estimates that 215 vehicles will need to be replaced in fiscal 2021, above the annual target of 154 replacement vehicles, as identified in the 2018 *Report on Motor Vehicle Fleet*. As such, additional general funds will likely be needed to backfill gaps created by lacking special fund disbursements.

Exhibit 8
Speed Camera Citation Revenues vs. Department of State Police Vehicle Purchases
Fiscal 2015-2021
(\$ in Millions)



Source: Maryland Department of Transportation; Department of Legislative Services

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DSP should comment on where it intends to identify the additional general funds necessary to cover the likely shortfall in special funds in order to maintain adequate fleet management.

The Department of Legislative Services (DLS) recommends reducing the special fund appropriation recognizing speed camera revenues by \$4.6 million to better align with historical special fund availability and that the committees adopt language permitting DSP to process a budget amendment recognizing additional special funds in the event of availability of additional speed camera revenues.

Personnel Data

	<u>FY 19</u>	<u>FY 20</u>	<u>FY 21</u>	<u>FY 20-21</u>
	<u>Actual</u>	<u>Working</u>	<u>Allowance</u>	<u>Change</u>
Regular Positions	2,439.50	2,462.50	2,457.50	-5.00
Contractual FTEs	<u>44.09</u>	<u>50.55</u>	<u>50.55</u>	<u>0.00</u>
Total Personnel	2,483.59	2,513.05	2,508.05	-5.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	168.58	6.86%
Positions and Percentage Vacant as of 12/31/19	208.00	8.45%
Vacancies Above Turnover	42.42	

- In fiscal 2020, DSP received 5 additional civilian positions effective January 9, 2020, from DBM to achieve compliance with language in the 2019 *Joint Chairmen’s Report* (JCR) to further engage in civilianization efforts.
- Total budgeted positions declined by 5 in fiscal 2021. This includes 3 administrative positions, 1 forensic laboratory technician, and 1 vehicle safety inspector.

Issues

1. Despite Funding and Support, State’s Role in Baltimore City’s Fight on Crime Remains Unclear

In an effort to support Baltimore City in its fight against crime, the State has taken on a larger and more active role addressing crime within the city. The State’s role is a multifaceted one and includes providing grant and aid funding, providing against law enforcement assistance, and increasing State personnel working within the court systems. This involves agencies from across State government. This analysis will discuss DSP’s role in the State’s efforts to assist the city. These initiatives involve not only State partners but also local and federal partners. To that end, the role of the State is not abundantly clear. This raises concerns about the efficacy of the funding provided and whether resources are coordinated in such a way as to effectively address crime. For further discussion on the State funding provided to more than 30 public safety initiatives in Baltimore City, refer to the Governor’s Office of Crime Prevention, Youth, and Victim Services (GOCPYVS) fiscal 2021 operating budget analysis.

Baltimore City Crime Prevention Initiative

DSP and GOCPYVS were required in the fiscal 2020 Budget Bill to submit a joint report detailing the operations of BCCPI. This discussion will focus on BCCPI as it relates to DSP. For further discussion on GOCPYVS’ role in this initiative, refer to GOCPYVS’ fiscal 2021 operating budget analysis.

BCCPI, which includes the Strike Force and BRIC, operates within the Organized Crime Drug Enforcement Task Force (OCDETF). OCDETF is a federal program administered by the U.S. Drug Enforcement Agency to diminish the violence and criminal activity associated with the drug trade. The Baltimore OCDETF is comprised of 16 investigative, law enforcement, and prosecutorial agencies from local, State, and federal levels of government: the Anne Arundel County Police Department; the Baltimore City State’s Attorney’s Office; the Baltimore City Sheriff’s Office; the Baltimore County Police Department; the Baltimore Police Department; the Bureau of Alcohol, Tobacco, Firearms, and Explosives; the Department of Public Safety and Correctional Services (DPSCS); the Drug Enforcement Administration; FBI; Homeland Security Investigations; the Internal Revenue Service; DSP; the Maryland National Guard; the Maryland Transportation Authority Police; the U.S. Attorney’s Office; and the U.S. Marshals Service. These agencies contribute a total of 78 personnel to staff OCDETF, including agents, analysts, and task force officers.

DSP’s Role within OCDETF

DSP oversees the operation of the Strike Force. The Strike Force will perform undercover operations and collect intelligence to dismantle criminal organizations with the goal of achieving successful prosecutions by the U.S. Attorney’s Office. In addition to the Strike Force, the following divisions will work to support DSP in meeting its obligations to BCCPI:

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- ***Criminal Enforcement Division:*** Oversees a wide variety of operations including auto theft, child recovery and missing persons, drug trafficking, fugitive apprehension, firearms enforcement, gang enforcement, and general criminal investigations.
- ***Commercial Vehicle Enforcement Division:*** Manages a mobile team within Baltimore City to enforce federal and State commercial motor vehicle laws.
- ***Forensic Sciences Division:*** Provides support services to law enforcement agencies upon request and provides crime scene processing and analysis services.
- ***Licensing Division:*** Processes firearms licensing requests and forwards referrals to the Criminal Enforcement Division if an individual is suspected of possessing an unlicensed firearm.
- ***Special Operations Division:*** Provides public safety support for large, densely populated events, such as sporting events and holiday celebrations.

Baltimore Regional Intelligence Center

Pursuant to guidelines established by the U.S. Department of Homeland Security and the U.S. Department of Justice, a network of Regional Intelligence Centers operate across the country. These centers offer a cooperative space for federal, State, and local law enforcement and public safety agencies to coordinate operations related to the identification, disruption, and dismantling of criminal networks. To encourage cooperation among the 16 agencies participating in OCDETF, a Regional Intelligence Center was established in Baltimore. BRIC will serve as the operation center for BCCPI and will house the federal, State, and local partners in one collaborative space. It will operate as a component of the Maryland Coordination and Analysis Center, which is the primary regional intelligence center in the State. BRIC will be used to collect and analyze intelligence and provide “actionable intelligence, support, and data” to investigative and enforcement operators in the field. BRIC will be located in an undisclosed location; a lease on the location was signed in September 2019 and will be operational by March 2020.

The fiscal 2020 budget included \$12.1 million in new general fund support and \$2.2 million in general obligation (GO) bonds as part of BCCPI. The GO bond authorization supported the acquisition and outfitting of a facility to house BRIC. The general fund support included \$3.6 million restricted by the General Assembly to cover personnel and operational expenses within DSP, which subsequently went unreleased by the Administration. DSP does receive a fiscal 2020 deficiency appropriation of \$1.6 million to cover partial year expenses for the 13 positions associated with the initiative and received \$2.7 million in funding in the fiscal 2021 allowance. While BRIC operations are funded in fiscal 2021 within DSP’s allowance, DLS remains concerned with the department’s ability to fulfill their obligations to BRIC, given the approximately \$900,000 gap in funding.

DSP has advised that the Department of General Services is in negotiations to finalize the outfitting of the location for BRIC and that the \$2.2 million in GO bonds has not yet been expended. This will be discussed further in DSP’s fiscal 2021 capital analysis.

The department should comment on the apparent funding gap of \$900,000 between the fiscal 2020 legislative appropriation and the fiscal 2021 allowance, whether the decline is due to one-time start-up costs, and what operations, if any, are impacted by the funding shortfall.

Legislative Oversight

DLS remains concerned with the State’s ability to provide oversight to the financial and logistical operations of BCCPI. In September 2019, the U.S. Attorney’s Office in Baltimore City announced that Baltimore County was selected to serve as the fiduciary of OCDETF-related funds. The General Assembly’s oversight ability is further reduced by OCDETF’s decision not to provide publically available performance metrics. This limits the General Assembly’s ability to monitor the progress of OCDETF’s efforts. As such, the General Assembly has a limited ability to provide oversight to the operational efficiency and use of State funds within BCCPI. DSP, through its work with the Strike Force, must submit performance metrics to the federal partners, as required by the federal OCDETF program. It is therefore worth noting that performance metrics associated with BCCPI are being collected but not reported. Examples of the performance metrics collected by DSP are shown in Exhibit 5 in the performance analysis section of this discussion.

DLS recommends restricting funding in DSP’s and GOCOPYVS’ budgets pending the joint submission of a report providing performance measurements related to BCCPI. This report should provide performance metrics for the Strike Force, BRIC, and data related to the allocation of grants for this initiative.

2. Civilianization Continues but Raises Concerns of Cost Savings

In December 2016, OLA released a report that identified 127 positions in DSP’s workforce currently filled by sworn troopers that could be civilianized. At the time, DSP agreed that 84 of the positions could be filled with civilian employees. Since the release of this report, the budget committees have encouraged DSP to appropriately civilianize its workforce. This will allow troopers performing administrative duties to return to law enforcement duties and would reduce annual personnel costs because of lower salary and fringe benefits afforded to civilian employees.

In response to the 2018 JCR, the department submitted a report that identified 15 specific positions intended for reclassification – 10 of which were positions that had been pursued for reclassification as a result of budget language included in the fiscal 2018 Budget Bill. For those 10 positions, DSP reprioritized 10 existing civilian vacancies and reclassified them to address the most pressing needs identified by the OLA report. In addition, DSP received 5 vacant correctional officer (CO) positions from DPSCS in order to fulfill the budget language. By the 2019 legislative session, DSP indicated that only 2 positions had been filled, and the troopers previously performing the administrative functions returned to direct law enforcement functions.

The 2019 JCR required the department demonstrate that the aforementioned 15 positions were reclassified but that at least 12 of these 15 positions had resulted in sworn officers returning to active law enforcement duty. The bill further required that DSP demonstrate 5 additional positions had been reclassified to further continue civilianization efforts. DSP submitted a response that demonstrated that a total of 15 positions have been reclassified; 14 positions have been hired, while 1 position is still in recruitment. DSP additionally reclassified, hired, and trained the 5 CO positions provided by the Administration in fiscal 2019; the troopers previously performing those duties were placed into active law enforcement duty effective November 1, 2019. These positions are detailed in **Appendix 4**.

The budget language, however, required 5 additional positions to be reclassified in order to achieve compliance. DBM provided 5 additional civilian positions to help DSP fulfill the JCR language. The PINs were transferred in fiscal 2020, and funding for salaries and benefits was provided in the fiscal 2021 budget to align with anticipated hiring dates. This is the second instance in which the Administration reallocated vacant positions to fulfill DSP's civilianization efforts.

Cost Savings of Civilianization

To date, a total of 20 sworn troopers have been returned to field duty through the department's civilianization efforts. Half of these positions were identified within DSP's budget and were civilianized without the addition of civilian positions. DLS estimates that these 10 positions accrue a cost savings of approximately \$272,019 each fiscal year. These savings are attributable to the fact that sworn officers receive a significantly higher benefits package than their civilian counterparts, holding base salaries equal. Extrapolating these savings to the 84 total positions agreed upon to be civilianized, DLS estimates that civilianization can yield a cost savings of \$2.3 million to DSP each fiscal year.

DSP has expressed that civilianization should not occur at the expense of sworn positions, and additional positions would be necessary to fulfill OLA's civilianization recommendations. DLS, however, remains concerned with this approach, as additional civilian positions will effectively diminish any cost savings. For example, if additional civilian positions were provided to assist in civilianization efforts for the aforementioned 10 positions, DSP's personnel expenses would increase approximately \$642,195. In this case, the net impact of civilianization would be \$370,176 in additional personnel expenses each fiscal year. As of January 2020, DSP has 118 civilian vacancies; additional civilian positions, therefore, should not be necessary to achieve civilianization. While sworn officers would still return to active law enforcement activities, yielding obvious public safety benefits, any fiscal benefits of civilianization would effectively be negated.

DLS recommends adopting language requiring DSP to continue to pursue civilianization and to do so using positions budgeted solely within the DSP budget.

3. UCR and the Transition to the National Incident Based Reporting System

2018 UCR Not Yet Submitted

DSP is the designated agency responsible for the compiling of crime data and submitting Maryland’s UCR to FBI. While the department is currently leading the transition to the National Incident Based Reporting System (NIBRS) for submitting crime data, the department has historically struggled to submit the standard UCR on-time. The calendar 2018 UCR has yet to be submitted, despite assurances from DSP that all reporting agencies have submitted the necessary data in November 2019. The most up-to-date source for Maryland’s crime data is the two-year old 2017 UCR.

DSP should comment on the status of the 2018 UCR and when it expects to submit the report to the General Assembly. DLS recommends adopting annual budget language restricting funds pending the receipt of the 2019 UCR.

Transition to NIBRS

FBI requires that all law enforcement agencies transition to NIBRS to report crime data by January 1, 2021. NIBRS is an incident-based reporting system that collects specific data points of a criminal incident, including data on the victim, offender, time, and location. This reporting system is more robust than current practice in the State; it enhances the reliability, accuracy, and accessibility of crime data and will require information technology upgrades, data conversion, and systems training.

As the agency in charge of the annual submission of the standard UCR, DSP was also tasked with leading the transition to the NIBRS reporting system. The department’s implementation process is currently in the second of three one-year-long phases, outlined as follows:

- Convene the Maryland NIBRS (referred to as MIBRS) development team to design a data collection framework. The MIBRS user group will be formed to involve and inform local agencies on the transition process. The MIBRS framework meets all of the federal NIBRS standards but also requires additional data points. For this reason, Maryland’s transition to NIBRS will be referred to as the “MIBRS transition” hereafter.
- Begin tests on the data collection framework and achieve data accuracy with an error rate below the acceptable FBI error rate, before requesting FBI certification.
- Deploy MIBRS data entry interface upon receipt of FBI certification.

To gauge the status of the MIBRS transition among reporting agencies, DSP distributed surveys to the 127 agencies who serve as data contributors to the Maryland UCR requesting information regarding the status of their transition to MIBRS compliance. While a number of agencies are in the process of developing a MIBRS-compliant system, the majority of agencies, however – 54% – did not respond to DSP’s survey. This severely limits DSP’s ability to oversee the transition process and assess

the progress of county and local agencies in the transition process and the challenges these agencies face in meeting the January 2021 deadline.

The MIBRS user group proposed developing a record management system (RMS) to streamline the submission process of MIBRS data. Called Mini-RMS, this will be an online platform accessible at no cost to local reporting agencies. The goal is to improve administrative efficiency, as well as ease the burden of the MIBRS transition for smaller reporting agencies. This platform would have predefined web forms to help agencies comply with the MIBRS transition without having to develop a MIBRS-compliant solution on their own. The Mini-RMS system will be developed at no additional cost; the fiscal impact of its development is included in the total transition cost and is included in the DSP project's three-year timeline. Costs will be incurred, however, once the Mini-RMS is operational, as annual maintenance costs will be needed.

DSP estimates that the total cost of the MIBRS transition will be \$3.4 million and will include costs for contractual project resources, equipment, and software. The department was able to secure federal grant funding from FBI to cover DSP's implementation costs. As such, DSP's transition will be of no cost to the State. This same pool of money is available to local jurisdictions who apply for it, though it is unknown if any have done so, or are aware of its availability. It is in the best interest of local reporting agencies to transition to MIBRS, as those who are noncompliant are at risk to lose federal funding for various law enforcement programs, including Justice Assistance Grants and the Federal Surplus Personal Property Donation Program.

DSP should update the committees on the development and implementation of MIBRS and the Mini-RMS platform. The department should also comment on how the department is assisting local agencies in becoming MIBRS compliant; whether local reporting agencies have been made aware of the availability of federal funding to support the transition; and how the transition to MIBRS will improve DSP's ability to submit the annual UCR submission in a timely manner.

DLS recommends adopting language requiring DSP to submit a report providing the budget committees with a status update on the MIBRS transition process and identifying federal funds available to the State and local jurisdictions to assist in their adoption of the system.

4. Findings of the OLA Report

OLA released a fiscal compliance audit for DSP in October 2019 for the period between January 1, 2015, and May 20, 2018. The audit made 11 findings that are detailed in **Appendix 2** of this analysis. Findings of note include:

- ***Approximately \$2.7 Million in Unrecovered Indirect Costs Incurred In Support Of U.S. Department of Justice Missions:*** For fiscal 2016 through 2018, the external services were billed at the fiscal 2015 rate, and DSP did not make adjustments for services billed after the rate increased 25.7% in fiscal 2018. As a result, DSP failed to recover \$2.7 million for fiscal 2018.

- ***Improper Transfer of \$2.5 Million in Special Funds to Address a Deficit:*** DSP identified a \$2.5 million deficit for fiscal 2015. As previously discussed, the department transferred special fund revenues from various sources to address the deficit between fiscal 2015 and 2018. For example, DSP transferred approximately \$173,000 in revenues from the salvage vehicle inspection program in fiscal 2018 to reduce the deficit without first consulting DBM.
- ***Failure to Comply with State Procurement Regulations When Procuring Helicopter Maintenance Services and Aviation Fuel Totaling Approximately \$13.1 Million:*** By procuring \$7.7 million in maintenance services individually, DSP failed to realize cost savings by maximizing leverage as a high-volume buyer. Additionally, OLA found that DSP failed to purchase a total of \$4.4 million in aviation fuel through a competitive process or through written agreements. As such, it is unclear whether the department obtained the best prices for its fuel purchases.

DSP should update the committees on its ability to recover the \$2.7 million in indirect costs, the actions it is taking to address the remaining special fund deficit balance, and how it has reformed its procurement practices to maximize the department’s buying power.

5. Aviation Command Fleet’s Fiscal and Operational Health

Founded in 1954, MSPAC serves to provide aerial assistance to law enforcement, emergency management services, and search and rescue operations. The funding split for MSPAC has remained at 80% in special funds from the Maryland Emergency Medical Services Operating Fund (MEMSOF) and 20% in general funds since fiscal 2003. The funding split is based on the ratio of medically oriented functions to nonmedical functions and search and rescue missions have been considered medically oriented functions since fiscal 2007. Today, the MSPAC fleet consists of 10 helicopters housed on seven bases throughout the State. As the use of these aircraft increases, so does the maintenance costs. In fiscal 2018, the manufacturer’s warranty on the 10 AW139 helicopters expired. Future maintenance costs, therefore, fall entirely on the State, split between MEMSOF’s special funds and DSP’s general funds. For a more detailed discussion of MSPAC, its fiscal impact, and its operational health, please refer to the MEMSOF fiscal 2021 budget analysis.

In September 2019, Governor Lawrence J. Hogan, Jr. committed the MSPAC fleet to support the Baltimore Police Department in crime reduction efforts. Because the support is offered in conjunction with routine missions and operations in Baltimore City, operations or overtime costs will not be impacted. Costs associated with this additional service would, however, be captured in fuel costs, flight hours, and related overhead costs. MSPAC estimates that these costs equate to an additional \$5,881 per hour of operating time. It is important to note, however, that these costs would not be directly incurred by MEMSOF. The law-enforcement nature of this additional flight time is considered nonmedivac and is therefore billed to the General Fund. Still, these are flight hours incurred by the MSPAC fleet and contribute to the fleets need for maintenance and repairs.

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One solution explored by MSPAC to avoid some of the expense of the long-term maintenance costs was enrollment in a service program that includes an initial buy-in, along with a monthly fee based on flight hours and/or landings per flight hour but would provide access to spare parts and maintenance services, including coverage for any unplanned or expensive overhaul maintenance events. In lieu of purchasing any maintenance support plans, MSPAC has indicated that it will continue with utilizing a \$6,000,000 master services contract and internal staff. Delay of securing the support plan further increases the upfront cost that is now estimated to be \$25.7 million. MSPAC estimates that purchasing these service plans would save the State between \$5 million and \$10 million over the next 15 years. These plans would be more beneficial if the fleet were to encounter costly unscheduled or unforeseen maintenance issues.

Operating Budget Recommended Actions

1. Add the following language to the general fund appropriation:

, provided that \$500,000 of this appropriation made for the purpose of funding personnel expenses may not be expended until the Department of State Police (DSP) submits a report to the budget committees demonstrating that 5 additional positions have been reclassified by November 1, 2020, to allow troopers currently performing administrative functions to be placed back into direct law enforcement activities.

Further provided that, in the process of civilianizing these 5 positions, DSP shall not acquire additional positions from outside agencies in pursuit of fulfilling this requirement, but shall instead only use positions budgeted to DSP in their fiscal 2021 legislative appropriation. The report shall be submitted to the budget committees by December 1, 2020, and the budget committees shall have 45 days to review and comment. To the extent that at least 5 positions are not successfully reclassified or the report is not submitted by the requested date, the restricted funds shall revert to the General Fund.

Explanation: In December 2016, the Office of Legislative Audits released a report that identified 127 positions in DSP’s workforce currently filled by sworn troopers that could be civilianized; DSP agreed that 84 have potential to be civilianized. In the three years since that report, DSP remains well short of civilianizing the 84 potential positions. This language restricts funds within the department until DSP demonstrates that 5 additional positions have been identified and reclassified for civilianization. These 5 positions are separate from, and in addition to, any positions previously identified for civilianization. This language also restricts DSP to reclassifying positions already budgeted to the department. The Administration may not reallocate positions from a separate agency to achieve civilianization targets.

Information Request	Author	Due Date
DSP civilianization report	DSP	December 1, 2020

2. Add the following language to the special fund appropriation:

Provided that the Department of State Police is authorized to process a budget amendment recognizing the availability of additional speed camera revenues to be used to purchase vehicles for the departmental fleet.

Explanation: The Department of State Police (DSP) increased its special fund appropriation for purchasing vehicles to \$8.1 million in the fiscal 2021 allowance. Sourced by speed camera citation revenues, the special fund appropriation has not reached this level since the funding

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stream was created. In addition to language that reduces the special fund appropriation in line with fiscal 2019 actual expenditures, this language authorizes DSP to process a budget amendment should additional speed camera revenues be available to support vehicle acquisition beyond the funding included in the fiscal 2021 legislative appropriation.

	<u>Amount Reduction</u>	<u>Position Reduction</u>
3. Reduce special fund revenues in line with historic availability of speed camera revenues. If additional fund are required to meet vehicle acquisition demands, general funds should be recognized through a supplemental budget or deficiency appropriation.	\$ 4,600,000	SF
4. Add the following language to the general fund appropriation: <u>, provided that \$100,000 of the appropriation for the Support Services Bureau within the Department of State Police (DSP) may not be expended until the department provides the budget committees with an update on its transition to the National Incident Based Reporting System (NIBRS) method of reporting crime statistics. The report shall provide the following:</u> (1) <u>a list of jurisdictions and State agencies that are currently NIBRS compliant;</u> (2) <u>the current status of implementing the transition;</u> (3) <u>actions taken by DSP to assist local reporting agencies in becoming NIBRS compliant;</u> <u>and</u> (4) <u>the identification of federal fund sources available to reporting agencies to assist in their transition to NIBRS.</u>		

The report shall be submitted by November 15, 2020, and the budget committees shall have 45 days to review and comment following the receipt of the report. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: By January 1, 2021, the Federal Bureau of Investigation is requiring all State Uniform Crime Report data to be reported consistent with NIBRS, and Maryland cannot currently accommodate. Currently, DSP reports summary crime statistics only. Given that NIBRS reporting requires significantly more enhanced data reporting, it is likely that local law enforcement agencies will need significant State or Federal assistance for procurement,

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information technology upgrades, data conversion, technical support, and training. As the agency responsible for the current Uniform Crime Report, this language asks the department to provide an update in its efforts to achieve compliance.

Information Request	Author	Due Date
Update on the NIBRS transition report	DSP	November 15, 2020

5. Add the following section:

SECTION XX. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation within the Department of State Police (DSP) and \$100,000 of the general fund appropriation within the Governor’s Office of Crime Prevention, Youth, and Victim Services (GOCPYVS) may not be expended until DSP and GOCPYVS jointly submit a report identifying the role each plays within the Baltimore City Crime Prevention Initiative (BCCPI) to combat violent crime in Baltimore City. This report should specifically provide an update regarding the establishment of the Baltimore Regional Intelligence Center (BRIC). The report should also provide and evaluate measurable performance metrics related to the DSP Strike Force and BRIC, and discuss how they compare to the performance measures detailed in the Joint Report on BCCPI. Finally, this report should discuss all grant awards allocated in fiscal 2020 under this initiative and provide information on the grant recipients and how these funds were used.

The report shall be submitted by September 15, 2020, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Explanation: Despite a considerable amount of State resources provided to support the crime reduction efforts in Baltimore City, the State’s role remains unclear. This report requests DSP and GOCPYVS to submit a joint report clarifying the role each plays in the BCCPI, an update regarding the establishment of BRIC, performance metrics to demonstrate the efficacy of the initiative, and grant award detail for fiscal 2020.

Information Request	Authors	Due Date
Performance report on BCCPI	DSP GOCPYVS	September 15, 2020

6. Add the following section:

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SECTION XX. AND BE IT FURTHER ENACTED, That \$1,000,000 of the general fund appropriation within the Department of State Police (DSP) may not be expended until DSP submits the Crime in Maryland, 2019 Uniform Crime Report (UCR) to the budget committees. The budget committees shall have 45 days to review and comment following receipt of the report. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Further provided that, if DSP encounters difficulty obtaining, or validating the accuracy of, the necessary crime data by November 1, 2020, from local jurisdictions who provide the data for inclusion in the UCR, DSP shall notify the Governor’s Office of Crime Prevention, Youth, and Victim Services (GOCPYVS). From each jurisdiction’s third quarterly State Aid for Police Protection (SAPP) disbursement, the office shall withhold a portion, totaling at least 15%, but no more than 50%, of that jurisdiction’s SAPP grant for fiscal 2020 upon receipt of notification from DSP. GOCPYVS shall withhold SAPP funds until such a time that the jurisdiction submits its crime data to DSP and DSP verifies the accuracy of that data. DSP and GOCPYVS shall submit a report to the budget committees indicating any jurisdiction from which crime data was not received by November 1, 2020, and the amount of SAPP funding withheld from each jurisdiction.

Explanation: The 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. The 2017 UCR was not submitted until March 2019, and the 2018 UCR was not submitted as of January 2020. As such, this language withholds a portion of the general fund appropriation until the budget committees receive the 2019 UCR. The language also specifies that GOCPYVS, upon receipt of notification from DSP, must withhold a portion of a delinquent jurisdiction’s SAPP grant until certain crime data is received by DSP. Finally, DSP and GOCPYVS must submit a report to the budget committees that includes information on any jurisdiction that did not report crime data by November 1, 2020, and the amount of SAPP funding that was withheld from each jurisdiction.

Information Request	Author	Due Date
2019 UCR data verification	DSP	November 1, 2020
2019 UCR	DSP	45 days prior to the expenditure of funds
Total Special Fund Reductions		\$ 4,600,000

Updates

1. Automated Licensing and Registration Tracking System

The Firearm Safety Act of 2013 required individuals wishing to purchase a firearm in Maryland to request and receive a Handgun Qualification License, requiring background checks, fingerprinting, and firearm safety training. DSP's Licensing Division has been charged with automating and streamlining the process by which a citizen of Maryland requests approval to purchase a firearm. This system will be called the Automated Licensing and Registration Tracking System (ALRTS). ALRTS will automate the entire firearm application process, from dealers applying to DSP to sell firearms in the State, to a web-accessible form submitted electronically to the agency. This also includes processing of the application, billing, reconciliation of fees, and providing real time or near real time reporting metrics. Disputes between the Department of Information Technology, the Board of Public Works, and the online merchant services vendor have resulted in delays in the production of credit card processing features. This resulted in project delays, and it is now anticipated that the system will be operational in fiscal 2021. This delay has not changed the scope or cost of the overall project, though a new vendor has been hired to complete the electronic payment component. Additional detail on the implementation of ALRTS can be found in **Appendix 3**.

Appendix 1
2019 Joint Chairmen’s Report Responses from Agency

The 2019 *Joint Chairmen’s Report* (JCR) requested that the Department of State Police (DSP) prepare four reports. Electronic copies of the full JCR responses can be found on the Department of Legislative Services Library website.

- **2019 Civilianization Report:** DSP was required to demonstrate that 12 of the 15 reclassified positions identified in their 2018 *Civilianization Report* resulted in sworn officers returning to law enforcement duties and to reclassify 5 additional positions. While 15 of the reclassified positions resulted in the return of troopers to active duty, DSP failed in its initial response to reclassify 5 additional positions. A follow-up submission identified the necessary positions. Further discussion can be found in the Issues section of this analysis.
- **National Incident-based Reporting System Transition Report:** The Federal Bureau of Investigation is requiring that all law enforcement agencies transition to the National Incident Based Reporting System (NIBRS) to report crime data by January 1, 2021. DSP is on pace to complete the transition process before 2021 and is developing a data entry platform to aid local agencies in submitting NIBRS-compliant data. Further discussion can be found in the Issues section of this analysis.
- **Crime in Maryland: 2018 Uniform Crime Report:** Annual budget bill language required DSP to work with local law enforcement agencies to compile the 2018 *Uniform Crime Report*. As in past years, the department struggled to submit this report in a timely manner. Further discussion can be found in the Issues section of this analysis.
- **Joint Report on the Baltimore City Crime Prevention Initiative (BCCPI):** Prepared jointly with the Governor’s Office of Crime Prevention, Youth, and Victim Services, this report outlined how State resources are being utilized to fight crime in Baltimore City. DSP oversees one task force in BCCPI and collects performance data on its operations. Further discussion can be found in the Issues section of this analysis.

**Appendix 2
Audit Findings**

Audit Period for Last Audit:	January 1, 2015 – May 20, 2018
Issue Date:	September 23, 2019
Number of Findings:	11
Number of Repeat Findings:	3
% of Repeat Findings:	27%

- Finding 1:** Indirect cost billing rates were not revised timely, resulting in unrecovered indirect costs totaling an estimated \$2.7 million.
- Finding 2:** During fiscal 2016, 2017, and 2018, the Department of State Police (DSP) recorded certain transactions to several special fund balances that were not consistent with State law to eliminate an unexplained \$2.5 million deficit dating back to at least June 30, 2015.
- Finding 3:** **DSP had not established adequate controls over its collections and the related accounts receivable from other governmental units and private entities.**
- Finding 4:** DSP did not determine the composition of a nonbudgeted fund clearing account balance totaling \$821,000 nor report the balance to the Comptroller of Maryland – General Accounting Division as required.
- Finding 5:** DSP did not comply with State procurement regulations when procuring helicopter maintenance services and aviation fuel valued at approximately \$12.1 million.
- Finding 6:** DSP did not have a comprehensive process in place to ensure the accuracy of all critical handgun registration data recorded in its automated record of regulated firearms and did not conduct timely independent quality control reviews of approved applications.
- Finding 7:** Sensitive personally identifiable information maintained by DSP in one licensing system was stored without adequate safeguards.
- Finding 8:** DSP lacked assurance that adequate security and operational controls existed over its record management system.
- Finding 9:** **Certain outdated software and security-related settings on DSP computers were not sufficient to provide DSP with adequate assurance that its computers were properly protected.**
- Finding 10:** DSP did not periodically review daily fuel usage reports to verify the propriety of fuel dispensed into its State vehicles.

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Finding 11: DSP lacked documentation that annual physical inventories of its sensitive equipment were completed and could not document the investigation and reporting of certain sensitive items recorded in its equipment records as missing.

*Bold denotes item repeated in full or part from preceding audit report.

Appendix 3
Major Information Technology Project
Department of State Police
Automated Licensing and Registration Tracking System

New/Ongoing: Ongoing								
Start Date: April 2013					Est. Completion Date: June 2021			
Implementation Strategy: Waterfall								
(\$ in Millions)	Prior Year	2020	2021	2022	2023	2024	Remainder	Total
GF	\$7.225	\$0.500	\$0.315	\$0.000	\$0.000	\$0.000	\$0.000	\$8.040
FF	0.584	0.000	0.000	0.000	0.000	0.000	0.000	0.584
Total	\$7.809	\$0.500	\$0.315	\$0.000	\$0.000	\$0.000	\$0.000	\$8.624

- **Project Summary:** The Department of State Police (DSP) has been charged with automating and streamlining the process by which a citizen of Maryland requests approval to purchase a firearm. This involves automating the entire firearm application process, from dealers applying to DSP to sell firearms in the State, to a web-accessible form submitted electronically to the agency. This also includes processing of the application, billing, reconciliation of fees, and providing real time or near real time reporting metrics. This project will greatly reduce the time it takes for an applicant to apply, provide efficiencies to Maryland firearm dealers and handgun instructors, and streamline processes within the department.
- **Need:** The Firearm Safety Act of 2013 added to existing firearm laws the requirement that individuals wishing to purchase a firearm in Maryland request and receive a Handgun Qualification License, requiring background checks, fingerprinting, and firearm safety training.
- **Observations and Milestones:** Development of the automated Handgun Permit process for Phase 2 of the Licensing Portal system was completed on schedule and within cost.
- **Changes:** The May 2018 system deployment was put on hold due to continued contract issues that prevented submission of fees by electronic payment. Preparations for Phase 3 have been completed, and Phase 3 development efforts are underway. In June 2019, a new statewide contract for merchant and financial processing was awarded to BB&T, and they are in the process of hiring program staff to manage the integration of the new contractor and deployment of services.
- **Other Comments:** While the project has been delayed by six months due to the aforementioned contract disputes, the Department of Information Technology does not anticipate additional costs or changes to the scope.

**Appendix 4
Civilianization Efforts as of February 1, 2019**

Reclassified Positions from within the Department of State Police

<u>PIN Number</u>	<u>Former Classification</u>	<u>New Classification</u>	<u>Sworn Reassignment</u>
050350	Fiscal Accounts Clerk II	Administrative Officer II	Criminal Enforcement Division Gun Enforcement
088667	Office Services Clerk	Administrative Officer II	Criminal Enforcement Division Gun Enforcement
062480	Public Affairs Officer I	Public Affairs Officer II	Field Operations Bureau
037124	Electrician	Digital Forensic Examiner	Computer Crimes Unit
072495	Administrator I	Polygraph Examiner Provisional	Criminal Enforcement Division
066147	Administrative Officer I	Program Manager I	Support Services Bureau
081224	Office Services Clerk	Administrative Officer II	Criminal Enforcement Division Gun Enforcement
088672	Office Services Clerk	Administrative Officer II	Criminal Enforcement Division Gun Enforcement
087273	Office Secretary III	Polygraph Examiner Provisional	Gang Enforcement Unit
089400	Criminal Intel Analyst Support	Digital Forensic Examiner	Computer Crimes Unit

Positions Reclassified After Obtaining PINs from the Department of Budget and Management

<u>Civilian PIN</u>	<u>New Classification</u>	<u>Sworn PIN</u>	<u>Sworn Reassignment</u>
067864	Administrator I	037563	MD Coordinating and Analysis Center
080107	Administrator I	037887	Criminal Enforcement Division
082206	Administrative Program Manager III	037686	Administrative Hearing Office
052218	Administrative Program Manager I	038122	Field Operations Bureau
082258	Administrative Program Manager I	038283	Regional Automated Property Information Database Help Desk
030697	Administrative Program Manager I	038221	Field Operations Bureau
031719	Polygraph Examiner	061268	Criminal Enforcement Division

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<u>Civilian PIN</u>	<u>New Classification</u>	<u>Sworn PIN</u>	<u>Sworn Reassignment</u>
031277	Administrative Officer	038150	Field Operations Bureau
031341	Human Resources Administrator III	037675	Field Operations Bureau
031149	Administrative Program Manager I	037950	Field Operations Bureau

Source: Department of State Police

Appendix 5
Object/Fund Difference Report
Department of State Police

<u>Object/Fund</u>	<u>FY 19</u> <u>Actual</u>	<u>FY 20</u> <u>Working</u> <u>Appropriation</u>	<u>FY 21</u> <u>Allowance</u>	<u>FY 20 - FY 21</u> <u>Amount Change</u>	<u>Percent</u> <u>Change</u>
Positions					
01 Regular	2,439.50	2,462.50	2,457.50	-5.00	-0.2%
02 Contractual	44.09	50.55	50.55	0.00	0%
Total Positions	2,483.59	2,513.05	2,508.05	-5.00	-0.2%
Objects					
01 Salaries and Wages	\$ 335,435,651	\$ 361,880,521	\$ 365,872,320	\$ 3,991,799	1.1%
02 Technical and Spec. Fees	2,126,790	1,893,946	1,917,107	23,161	1.2%
03 Communication	5,076,651	4,772,547	5,160,468	387,921	8.1%
04 Travel	676,549	353,900	388,610	34,710	9.8%
06 Fuel and Utilities	2,991,369	3,019,281	2,973,864	-45,417	-1.5%
07 Motor Vehicles	24,270,236	22,882,945	24,393,861	1,510,916	6.6%
08 Contractual Services	17,119,196	16,228,916	15,932,737	-296,179	-1.8%
09 Supplies and Materials	5,478,798	2,975,545	3,562,840	587,295	19.7%
10 Equipment – Replacement	5,686,895	2,571,649	2,821,649	250,000	9.7%
11 Equipment – Additional	0	5,000	5,000	0	0%
12 Grants, Subsidies, and Contributions	7,430,166	14,809,148	14,809,148	0	0%
13 Fixed Charges	2,249,406	2,135,941	2,359,454	223,513	10.5%
14 Land and Structures	80,000	0	0	0	0.0%
Total Objects	\$ 408,621,707	\$ 433,529,339	\$ 440,197,058	\$ 6,667,719	1.5%
Funds					
01 General Fund	\$ 294,239,658	\$ 308,737,898	\$ 311,765,475	\$ 3,027,577	1.0%
03 Special Fund	102,723,585	112,141,303	115,779,739	3,638,436	3.2%
05 Federal Fund	6,137,922	6,925,000	6,925,000	0	0%
09 Reimbursable Fund	5,520,542	5,725,138	5,726,844	1,706	0%
Total Funds	\$ 408,621,707	\$ 433,529,339	\$ 440,197,058	\$ 6,667,719	1.5%

Note: The fiscal 2020 appropriation does not include deficiencies, planned reversions, or general salary increases. The fiscal 2021 allowance does not include contingent reductions or general salary increases.

**Appendix 6
Fiscal Summary
Department of State Police**

<u>Program/Unit</u>	<u>FY 19 Actual</u>	<u>FY 20 Wrk Approp</u>	<u>FY 21 Allowance</u>	<u>Change</u>	<u>FY 20 - FY 21 % Change</u>
01 Office of the Superintendent	\$ 24,261,517	\$ 25,988,997	\$ 27,729,504	\$ 1,740,507	6.7%
02 Field Operations Bureau	205,644,064	220,102,009	220,778,825	676,816	0.3%
03 Criminal Investigation Bureau	64,870,594	69,741,127	71,667,215	1,926,088	2.8%
04 Support Services Bureau	102,227,003	105,584,937	107,882,867	2,297,930	2.2%
08 Vehicle Theft Prevention Council	1,990,357	2,000,000	2,000,000	0	0%
12 Information Technology Communications	334,723	0	0	0	0%
01 Fire Prevention Services	9,293,449	10,112,269	10,138,647	26,378	0.3%
Total Expenditures	\$ 408,621,707	\$ 433,529,339	\$ 440,197,058	\$ 6,667,719	1.5%
General Fund	\$ 294,239,658	\$ 308,737,898	\$ 311,765,475	\$ 3,027,577	1.0%
Special Fund	102,723,585	112,141,303	115,779,739	3,638,436	3.2%
Federal Fund	6,137,922	6,925,000	6,925,000	0	0%
Total Appropriations	\$ 403,101,165	\$ 427,804,201	\$ 434,470,214	\$ 6,666,013	1.6%
Reimbursable Fund	\$ 5,520,542	\$ 5,725,138	\$ 5,726,844	\$ 1,706	0%
Total Funds	\$ 408,621,707	\$ 433,529,339	\$ 440,197,058	\$ 6,667,719	1.5%

Note: The fiscal 2020 appropriation does not include deficiencies, planned reversions, or general salary increases. The fiscal 2021 allowance does not include contingent reductions or general salary increases.