

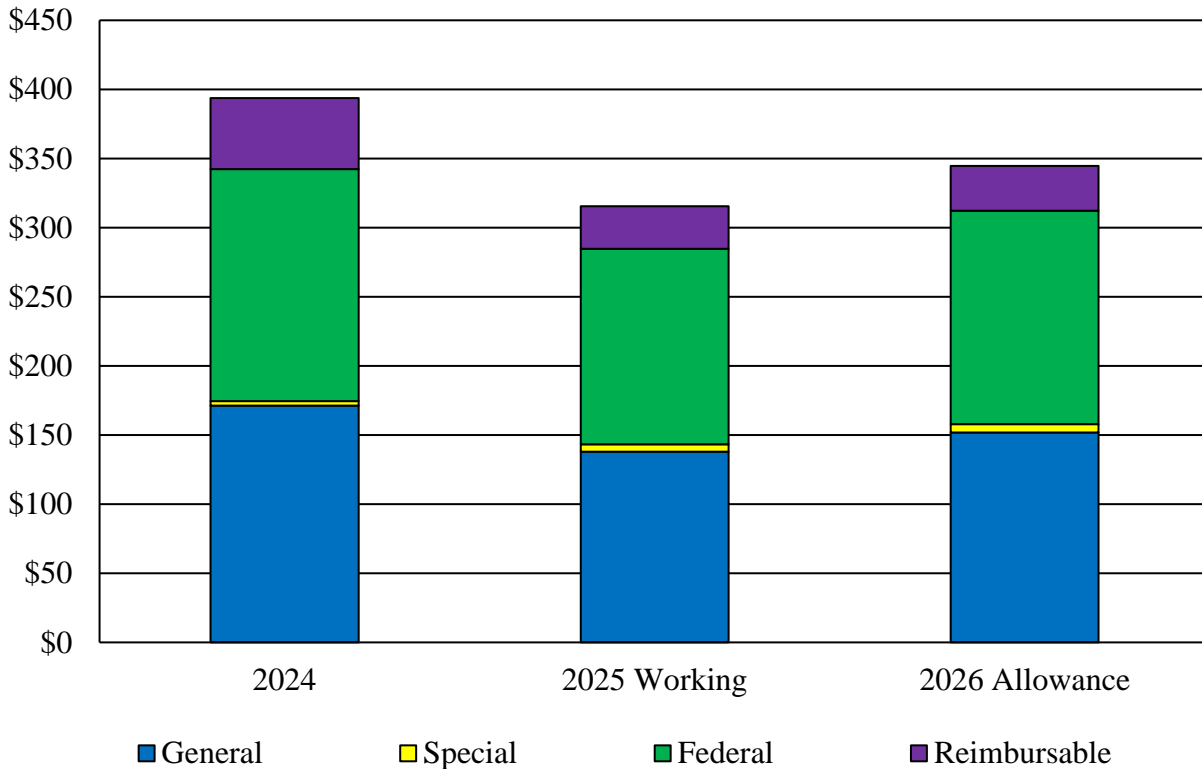
N00A01
Administration
Department of Human Services

Executive Summary

The Department of Human Services (DHS) Administration provides direction, coordination, financial services, information technology (IT) management, and overall operational support for all DHS programs and activities.

Operating Budget Summary

Fiscal 2026 Budget Increases \$29.2 Million, or 9.3%, to \$344.7 Million
(\$ in Millions)



Note: Numbers may not sum due to rounding. The fiscal 2025 working appropriation accounts for deficiencies. The fiscal 2025 impacts of statewide salary adjustments are centrally budgeted in the Department of Budget and Management (DBM), and adjustments are not reflected in this agency’s budget. The fiscal 2026 impacts of the fiscal 2025 statewide salary adjustments appear in this agency’s budget. The fiscal 2026 statewide salary adjustments are centrally budgeted in DBM and are not included in this agency’s budget.

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- The fiscal 2026 allowance increases across all fund types compared to the fiscal 2025 working appropriation after accounting for proposed deficiency appropriations. General funds rise by \$13.7 million, special funds by \$915,755, federal funds by \$13 million, and reimbursable funds by \$1.6 million.
- The increase in the fiscal 2026 allowance is primarily driven by Maryland Total Human-services Integrated Network (MD THINK)-related expenses for operations and maintenance, as well as salary adjustments and associated fringe benefits.
- Proposed deficiency appropriations for fiscal 2025 include \$9.1 million (\$3.4 million from general funds, \$2.5 million from special funds, and \$3.2 million from federal funds). The largest of these proposed deficiency appropriations provides an additional \$7.8 million for the Constituent Services Call Center contract to cover higher than expected costs following a new procurement. Other proposed deficiency appropriations provide \$872,674 for higher-than-expected legal service expenditures under the Maryland Legal Services Program (MLSP) and \$500,000 of federal funds for the Maryland Indigenous Family Partnership Grant, supporting implementation of the Indian Child Welfare Act and family preservation efforts.

Key Observations

- ***MD THINK Project Cost and Implementation Concerns:*** The MD THINK project has experienced a dramatic increase in costs, rising from an initial \$166.4 million to \$588.8 million, primarily due to contract modifications that expanded the project’s scope. These changes not only escalated development and implementation expenses but also extended the timeline significantly. Specifically, the surge in costs occurred over the past three fiscal years, with delays in completion becoming apparent from fiscal 2023 onward. Despite the deployment of core applications, such as the Child, Juvenile, and Adult Management System (CJAMS); Eligibility and Enrollment (E&E); and the Child Support Management System (CSMS), gaps in functionality remain, particularly in the juvenile services module of CJAMS. The project’s substantial financial investment and prolonged timeline raise concerns about its long-term sustainability and effectiveness in meeting Maryland’s health and human service needs.
- ***DHS Data Office Challenges and Accuracy Issues:*** In January 2025, DHS announced the creation of a new data office. The department reports that the data office was created to modernize data collection and reporting across the department’s various programs, aiming to improve service delivery and decision-making through real-time data. However, DHS has reported significant challenges with the accuracy of the data it has been providing, which undermines the office’s goal of streamlining internal data practices and supporting data-driven decisions. These inaccuracies could hinder the office’s ability to meet its objectives of enhancing data sharing, ensuring privacy, and improving accountability.

Operating Budget Recommended Actions

1. Adopt committee narrative requesting a report on the costs, implementation progress, and long-term sustainability of the Maryland Total Human-services Integrated Network.

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Operating Budget Analysis

Program Description

DHS manages human services programs through a State-supervised and locally administered system. DHS Administration provides direction through four major units:

- Office of the Secretary;
- Operations Office;
- Office of Technology for Human Services (OTHS); and
- Local General Administration (LGA).

Office of the Secretary

The Office of the Secretary provides overall direction and coordination for all DHS programs and activities. The Office of the Secretary includes the offices of the Attorney General; the chief of staff and the assistant and deputy secretaries; communications; constituent services; data; the inspector general; and policy, including government affairs and the Maryland State Council on Child Abuse and Neglect. Other programs contained within the Office of the Secretary are:

- the Citizens Review Board for Children (CRBC);
- the Maryland Commission for Women; and
- MLSP.

Operations Office

DHS Operations consists of five units: Administrative Operations; Human Resources, Development, and Training; Learning; Procurement and Minority Business Engagement; and the Division of Budget, Finance, and Personnel, which supports the programs of other units in the department through the management and control of fiscal and personnel systems. The Division of Administrative Services provides key administrative services, including fleet management, records management, and risk management to DHS, as well as disaster relief and emergency response throughout the State.

Office of Technology for Human Services

OTHS is responsible for the overall management and direction of DHS information systems. This includes responsibility for computer and communication equipment, computer peripheral equipment, ancillary facility and support equipment, and supplies.

Maryland Total Human-services Integrated Network

MD THINK is a shared technology platform that integrates multiple State health and human service programs and applications. MD THINK is operated by DHS, with support from the Department of Information Technology (DoIT), the Maryland Department of Health (MDH), the Department of Juvenile Services (DJS), the Department of Public Safety and Correctional Services, and the Maryland Health Benefit Exchange (MHBE). MD THINK hosts critical State services, including:

- the Maryland Health Connection, operated by MHBE;
- the birth and death records system, operated by MDH;
- CJAMS, which has replaced or will replace the legacy systems that are supporting the Social Services Administration (SSA) and DJS as well as add an adult management system to support SSA;
- CSMS, which replaced the legacy Child Support Enforcement System; and
- the E&E system, which replaced the legacy system for public benefits administered by DHS as well as Medicaid determinations for certain customers.

Local General Administration

Local departments of social services (LDSS) are the arms of DHS in each jurisdiction. The administrative budgets of each LDSS are combined into the LGA unit for the purposes of the State budget. The LGA unit provides essential support services and staff to operate the 24 LDSS, including the management of staff, finance, statistical reporting, general services, central records, fleet operations, buildings and grounds, equipment, supplies, procurement, and inventory.

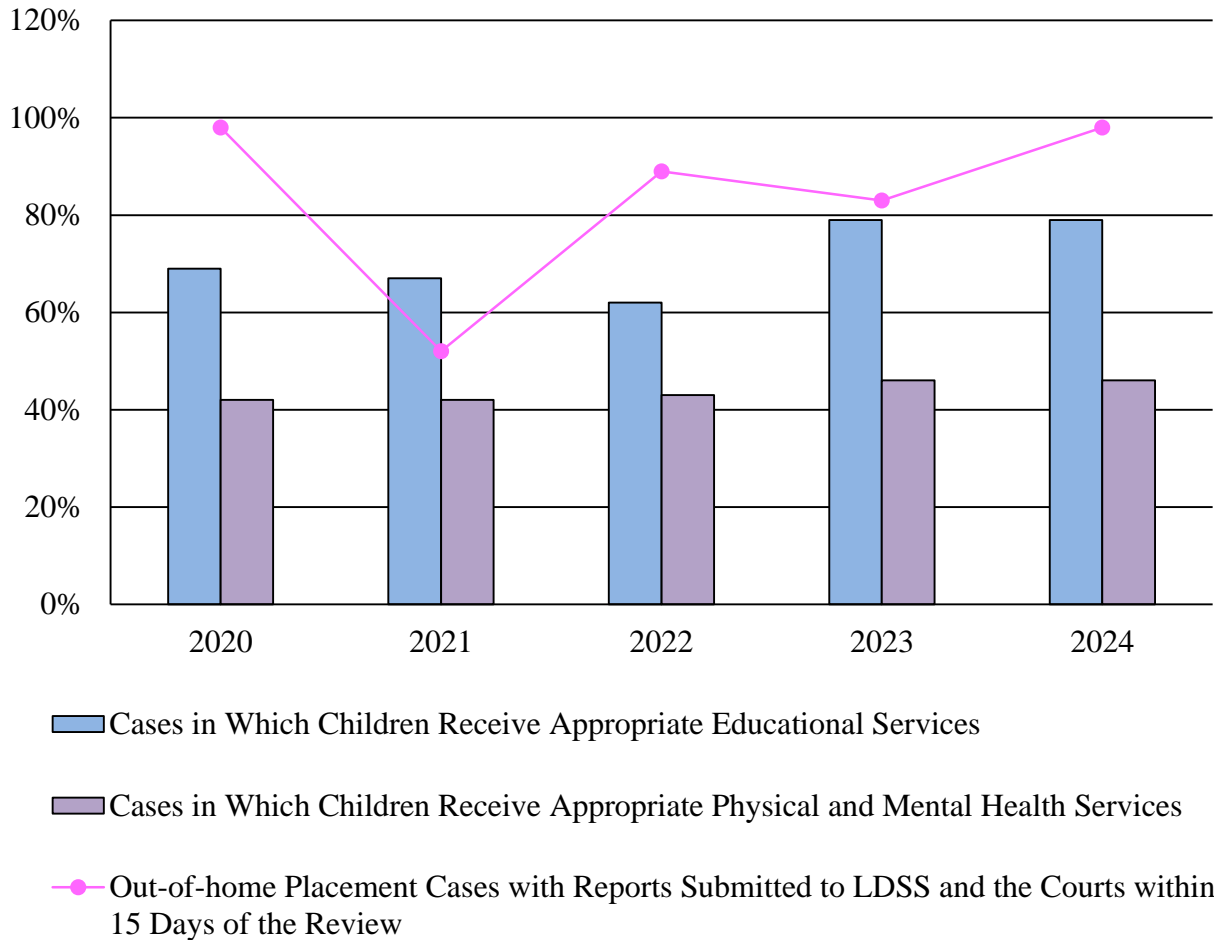
Performance Analysis: Managing for Results

1. Children Receiving Appropriate Care

CRBC conducts assessments of cases involving children in out-of-home placement and offers recommendations to LDSS to ensure the provision of appropriate educational and health services.

Exhibit 1 provides information related to the review of cases monitored by CRBC, including the determinations made in key service areas. The percentage of cases where children receive appropriate educational services has shown variation. After decreasing to a recent low of 62% in fiscal 2022, the rate increased to 79% in fiscal 2023. DHS attributed this improvement to the work of the Audit Compliance and Quality Improvement unit under SSA, which expanded oversight in calendar 2022 to include educational records and encouraging LDSS to prioritize educational services. The rate stayed at the same level in fiscal 2024. In the area of physical and mental health services, progress has been limited. The percentage of cases where children receive these services has remained steady, moving only from 42% in fiscal 2020 to 46% in fiscal 2023 and 2024. DHS reported that primary care and dental providers have reported delays in receiving timely information about a child’s foster care status and medical history before scheduled visits as well as about required health assessments. Additionally, systemic barriers – such as service availability, provider access, and funding constraints – continue to affect access to appropriate care. A shortage of primary care, dental, and mental health providers willing to accept Medical Assistance insurance, as well as reimbursement rates remain as significant challenges. **DHS should comment on the steps being taken to address these challenges and improve access to physical and mental health services for children in foster care.**

Exhibit 1
Receipt of Appropriate Care for Children in Out-of-home Placements and
Timeliness of Report Submission
Fiscal 2020-2024



LDSS: local departments of social services

Source: Department of Budget and Management; Department of Human Services

The timeliness of out-of-home placement reports submitted within 15 days of CRBC’s review shows substantial variation but has shown significant improvement since fiscal 2021 when the percentage decreased to 52%. After improving to 89% in fiscal 2022, performance decreased slightly to 83% in fiscal 2023 but more than exceeded the fiscal 2022 level in 2024 at 98%. This recent increase supports timely coordination of services for children in out-of-home placements. DHS indicates that an enhanced tracking system and greater attention and accountability from DHS leaders have contributed to this improvement.

Fiscal 2024

Chapter 100 of 2023 established the Human Services Careers Pilot Program to address recruitment and retention challenges in Maryland’s human services field. The program offers scholarships and other financial support to Maryland residents pursuing degrees or certifications in human service fields, such as social work and case management, to strengthen the workforce pipeline and reduce financial barriers to education. The program is administered by DHS in collaboration with educational institutions and workforce development partners, with funding allocated through §19 of the fiscal 2024 budget for both stipends in DHS and scholarships in the Maryland Higher Education Commission (MHEC). No awards were made in fiscal 2024 from the scholarship funds due to implementation delays.

DHS should comment on the use of the fiscal 2024 funds, including how much was spent for stipends or implementation activities. Additionally, DHS should clarify whether stipends are funded in fiscal 2025 and 2026. If stipends are not funded in these years, DHS should explain how it plans to support these costs.

The program consists of two components – a high school internship program and a college scholarship program. As required, the program is being implemented in Baltimore and Prince George’s counties and Baltimore City and focuses on five targeted job series: child support specialists; family investment specialists; family support workers; family services caseworkers; and social workers. Participants who complete the program and are hired by DHS receive a \$500 stipend and mentorship from a veteran employee.

In a statutorily required report submitted by DHS to the General Assembly on January 2, 2025, the agency indicates that the high school internship program is scheduled to begin in spring 2025. In Baltimore City, DHS and the school system finalized a memorandum of understanding (MOU) in October 2024 and are continuing to develop a structured program with defined learning outcomes. In Baltimore County, the MOU was signed in September 2024, with efforts underway to align the program with school schedules and create two internship tracks in child support administration and social services. In Prince George’s County, the MOU is pending finalization, with plans to adopt a similar structure to Baltimore County. DHS expects to launch the program in spring 2025 and plans to provide participation data in its 2025 annual report.

The college scholarship program has made progress through targeted outreach to DHS employees, students, and institutions offering Human Services programs. As of November 18, 2024, DHS received 111 applications, of which 55 were accepted, 27 were denied due to ineligibility under statutory criteria, and 29 remain under review. Eligibility requirements include Maryland residency, enrollment in a relevant program at a public Maryland institution, and a service obligation in one of the three jurisdictions for 15 months per academic year funded. DHS has collaborated with MHEC to promote the program and provide information to higher education institutions. The fiscal 2025 and 2026 budgets include \$1.0 million for the Human Services Careers Scholarship.

Fiscal 2025

Proposed Deficiency

The fiscal 2026 allowance for DHS Administration includes three proposed fiscal 2025 deficiency appropriations totaling \$9.1 million (\$3.4 million from general funds, \$2.5 million from special funds, and \$3.2 million from federal funds). The largest of these, totaling \$7.8 million, will support the constituent services call center contract. According to DHS, the contract for the prior customer service center vendor expired on July 31, 2024. As DHS developed the request for proposals (RFP) for the new contract, it incorporated enhanced features and service level agreements aimed at improving the customer experience. DHS indicates that the timing of the contract award prevented the department from fully accounting for its cost during the fiscal 2025 budget formulation process. The RFP was released in August 2023, and bid proposals were not received and evaluated until late November 2023. The contract award was subsequently approved by the Board of Public Works (BPW) on January 31, 2024, after the submission of the fiscal 2025 budget, making it difficult for DHS to anticipate the full contract cost in advance. DHS reports that the total contract costs across fiscal years are as follows:

- **Fiscal 2024:** \$7,372,409 (covering implementation costs from February 1, 2024, to June 30, 2024);
- **Fiscal 2025:** \$33,704,856 (includes remaining implementation costs and projected service volume); and
- **Fiscal 2026:** \$36,130,663 (reflects projected service volume plus an annual contract increase).

The fiscal 2025 budget included funds to account for the transition through a fiscal 2024 deficiency appropriation of approximately \$8.7 million as well as a significant increase (\$12.3 million) in funding in fiscal 2025 on top of the fiscal 2024 funding for total fiscal 2025 funding of \$22.2 million. This proposed deficiency provides additional funding to bring the fiscal 2025 budget more in line with the contract cost for that year. The fiscal 2025 budget as enacted included nearly all of the fiscal 2025 funding in the Director’s Office of Family Investment Administration (FIA), while the fiscal 2024 funding was placed in the Office of the Secretary. The fiscal 2026 allowance continues funding at the same level in FIA, while increasing funds in the Office of the Secretary; combined, the funds are near the level that the department indicates is needed in fiscal 2026 (approximately \$33 million). However, detail on contracts supported through the budget indicates that there is an additional \$23.5 million in the Office of Home Energy Programs (OHEP) for this purpose in fiscal 2026. **DHS should discuss why the total funding for the contract described as supporting this contract in fiscal 2026 exceeds the amount that the department indicates is needed by more than \$20 million and any plans to realign funding for the contract to consolidate costs in one location to provide more transparency for overall funding levels and costs.**

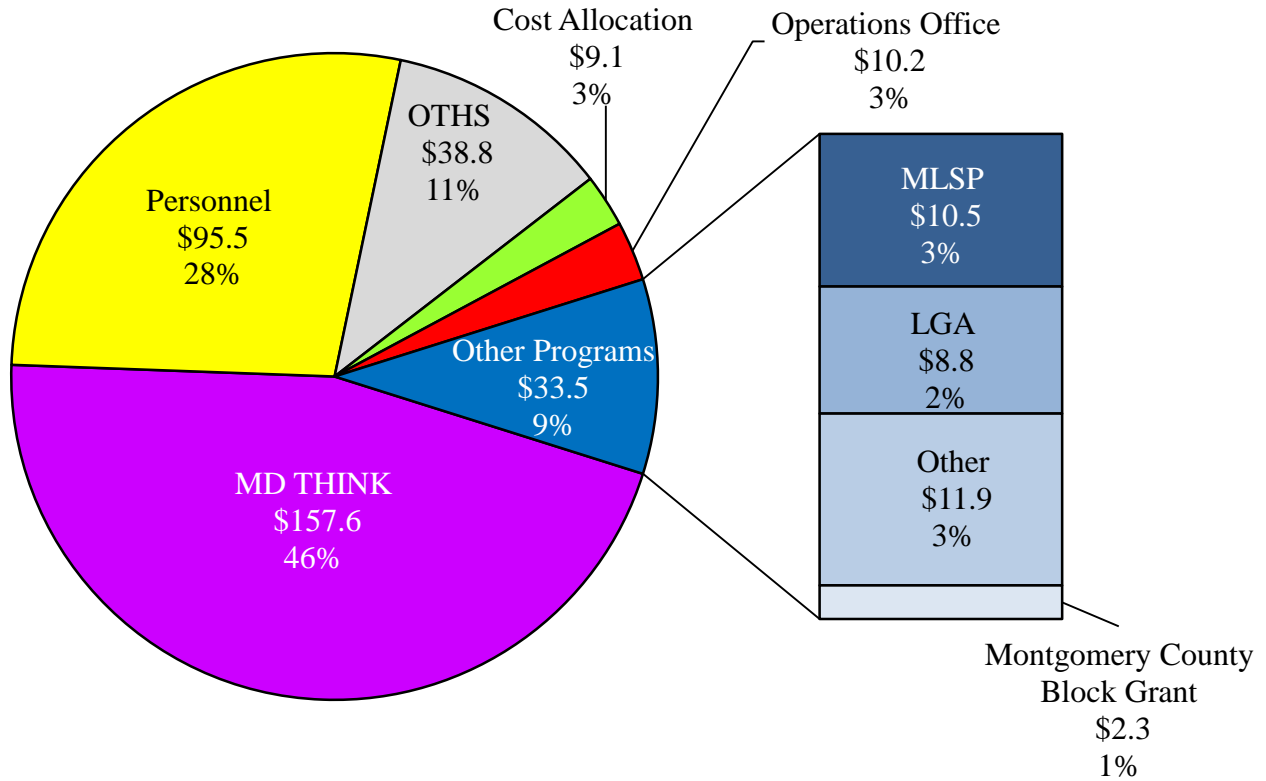
Another proposed deficiency appropriation would provide \$872,674 to fund higher-than-expected expenditures in MLSP, particularly for legal service providers handling Adult Protective Services and Adult Public Guardianship Review Board cases. According to DHS, the deficiency results from rising costs in legal service contracts that DHS is statutorily required to provide to eligible individuals. DHS indicates that these contracts, which took effect on June 1, 2022, included higher base-period pricing and have since increased due to a growing caseload and additional services mandated by Chapters 628 and 629 of 2022. The chapters, which took effect on October 1, 2023, require courts to appoint attorneys under contract with DHS for protective property proceedings for adult cases. Additionally, DHS reports that the cost per case has risen since fiscal 2019. Accounting for the proposed deficiency would increase fiscal 2025 funding for adult public guardianship cases from \$1.1 million to \$2.1 million. The fiscal 2026 allowance includes a \$227,326 increase over the fiscal 2025 working appropriation after adjusting for the proposed deficiency.

The third proposed deficiency appropriation totaling \$500,000 of federal funds will support the Maryland Indigenous Family Partnership Grant. According to DHS, the department received a four-year, \$2 million federal grant (\$500,000 annually) to support this initiative from September 2024 through September 2028, which aims to improve implementation of the Indian Child Welfare Act (ICWA), a federal law that protects the rights of Native American children and families and strengthens family preservation and reunification efforts for tribal and indigenous children. The partnership includes DHS, the Maryland Commission on Indian Affairs, and the Judiciary's Administrative Office of the Courts Foster Care Court Improvement Program. DHS states that the project will enhance training on the ICWA, assess current practices through data analysis and case reviews, and develop a monitoring dashboard. In the final year, partners will plan for sustainability and share the model with other states. Although DHS indicated that this is a four-year grant extending into fiscal 2029, the fiscal 2026 allowance does not reflect funding for the grant.

Fiscal 2026 Overview of Agency Spending

The fiscal 2026 allowance for DHS Administration totals \$344.7 million. As shown in **Exhibit 2**, MD THINK represents the largest portion of the fiscal 2026 allowance at 46%, or \$157.6 million. MD THINK functions as the State's benefits platform, ensuring access to necessary services, such as cash and food assistance, as well as the system of record for child welfare and child support. Personnel expenses account for 28% of the anticipated spending, totaling \$95.5 million. Other programs collectively make up 9% of the fiscal 2026 allowance. MLSP is responsible for providing legal representation in court proceedings for children involved in Child in Need of Assistance and Termination of Parental Rights cases. Additionally, MLSP extends legal representation to indigent adults in Adult Protective Services and adult public guardianship cases.

**Exhibit 2
Overview of Agency Spending
Fiscal 2026 Allowance
(\$ in Millions)**



LGA: Local General Administration
 MD THINK: Maryland Total Human-Services Integrated Network
 MLSP: Maryland Legal Services Program
 OTHS: Office of Technology for Human Services

Note: The fiscal 2026 statewide salary adjustments are centrally budgeted in the Department of Budget and Management and are not included in this agency’s budget.

Source: Governor’s Fiscal 2026 Budget Books

Proposed Budget Change

As shown in **Exhibit 3**, the total fiscal 2026 allowance increases by \$29.2 million, or 9.3%, compared to the fiscal 2025 working appropriation after accounting for proposed deficiency appropriations. The majority of this increase (\$21.1 million or 72%) is driven by

MD THINK-related expenses, including new initiatives, expanded responsibilities, system integration, rising Amazon Web Services (AWS) cloud service costs, and funding for operations, maintenance, and software licenses. Of the \$3.3 million increase in MD THINK AWS cloud services, \$1.6 million in reimbursable funds was mistakenly attributed to the Secretary of State. DHS has clarified that the fiscal 2026 allowance incorrectly lists this reimbursable fund source. The correct sources for these expenditures are MHBE, MDH, and the Medical Care Programs Administration. DHS attributes this discrepancy to a data entry error. Additionally, salary adjustments and associated fringe benefits account for an \$8.2 million increase, primarily due to the impact of the fiscal 2025 cost-of-living adjustment and increments appearing in the agency’s budget in fiscal 2026, while the fiscal 2025 funds are budgeted within the Department of Budget and Management (DBM) and a decrease in the turnover expectancy.

Exhibit 3
Proposed Budget
Department of Human Services – Administration
(\$ in Thousands)

How Much It Grows:	<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 2024 Actual	\$171,339	\$3,217	\$167,729	\$51,556	\$393,842
Fiscal 2025 Working Appropriation	138,082	5,286	141,291	30,849	315,508
Fiscal 2026 Allowance	<u>151,743</u>	<u>6,202</u>	<u>154,333</u>	<u>32,454</u>	<u>344,732</u>
Fiscal 2025-2026 Amount Change	\$13,661	\$916	\$13,042	\$1,605	\$29,224
Fiscal 2025-2026 Percent Change	9.9%	17.3%	9.2%	5.2%	9.3%
Where It Goes:					<u>Change</u>
Personnel Expenses					
Salary increases and associated fringe benefits including fiscal 2025 COLA and increments					\$8,268
Turnover decrease from 7.06% to 6.07%					860
Overtime earnings.....					-10
Workers’ compensation					-28
Employee and retiree health insurance					-1,753
MD THINK					
New initiatives, including the Unified Benefits program, additional responsibilities for the data team, platform infrastructure provisioning, extra resources for security governance assessments, and an expanded scope of activities for the Project Management Office					5,867

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Where It Goes:	<u>Change</u>
Additional funding for full integration of the Office of Home Energy Program application into the Eligibility and Enrollment system.....	4,117
CSMS: increase reflects a request for additional resources for the mobile application team, as well as data management, analytics, and business intelligence (Qlik to QuickSight migration, Self-Service Analytics, and DataLake support)....	3,354
Expected cost increase for MD THINK AWS Cloud Services and system contracts related to operating and maintenance expenses	3,297
CJAMS: increase reflects additional resources for IT system management and data processing (Identity Access Management, the Qlik to QuickSight migration, post-CIS adoption/MDM workflow, and BEACON interface support).....	3,289
Software Licenses	1,146
Office of the Secretary	
Increase reflects the annual contract escalation and a higher projected service volume for the Constituent Services Call Center Contract, after accounting the proposed fiscal 2025 deficiency	2,426
Maryland Indigenous Family Partnership Grant due to a one-time deficiency appropriation	-500
Maryland Legal Services Program	
Increase driven by the provision of mandated legal services for adults involved in Adult Protective Services and Adult Public Guardianship Review Board cases, after accounting for the proposed fiscal 2025 deficiency	227
Other Changes	
Increased costs for envelopes, paper, and other supplies at the Central Distribution Center, along with expenses for creating, editing, and processing documents for DHS printing and mailing and MD THINK-related expenses	254
Cost allocation	-1,804
Other expenses.....	213
Total	\$29,224

- AWS: Amazon Web Service
- CIS: Customer Information System
- COLA: cost-of-living adjustment
- CJAMS: Child, Juvenile, and Adult Management System
- CSMS: Child Support Management System
- DHS: Department of Human Services
- IT: information technology
- MD THINK: Maryland Total Human-services Integrated Network
- MDM: Master Data Management

Note: Numbers may not sum to total due to rounding. The fiscal 2025 working appropriation accounts for deficiencies. The fiscal 2025 impacts of statewide salary adjustments are centrally budgeted in the Department of Budget and Management (DBM), and adjustments are not reflected in this agency’s budget. The fiscal 2026 impacts of the fiscal 2025 statewide salary adjustments appear in this agency’s budget. The fiscal 2026 statewide salary adjustments are centrally budgeted in DBM and are not included in this agency’s budget.

Personnel Data

	<u>FY 24</u> <u>Actual</u>	<u>FY 25</u> <u>Working</u>	<u>FY 26</u> <u>Allowance</u>	<u>FY 25-26</u> <u>Change</u>
Regular Positions	760.00	760.00	763.00	3.00
Contractual FTEs	<u>9.66</u>	<u>3.33</u>	<u>3.33</u>	<u>0.00</u>
Total Personnel	769.66	763.33	766.33	3.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	46.31	6.07%
Positions and Percentage Vacant as of 12/31/24	63.00	8.29%
Vacancies Above Turnover	16.69	

- DHS Administration has 16.69 vacancies above budgeted turnover, while the turnover expectancy has been reduced from 7.06% to 6.07%.
- As of December 31, 2024, DHS Administration had 63 vacant positions. Out of the total 63 vacant positions, 54 have been unfilled for less than a year, with the remaining 9 positions vacant for over a year.
- Committee narrative in the 2024 *Joint Chairmen’s Report* (JCR) requested that DHS submit a report by August 1, 2024, detailing positions that had been vacant for over a year as of December 2023 and recruitment efforts for those positions. In the report submitted on December 9, 2024, DHS identified 12 positions that had been vacant for more than a year, of which 11 have since been filled. However, the Department of Legislative Services (DLS) notes that despite filling these positions, vacancy data as of December 31, 2024, indicates that DHS still has 9 positions that have been vacant for longer than one year. Regarding recruitment efforts, DHS reported removing certain barriers to employment and expanding the pool of eligible candidates.

Issues

1. MD THINK Status and Utilization of Resources

MD THINK is a cloud-based platform that integrates Maryland’s health and human services systems. It is designed to serve residents who rely on State benefits and agency resources by hosting a shared platform of business products, applications, data, and services. An Office of Legislative Audits report released in March 2024 indicated the cost of project was last estimated at almost \$600 million in June 2022.

The platform supports several critical applications, including CJAMS, E&E, and CSMS, which serve as essential tools for delivering public benefits and services. While significant progress has been made, the program continues to face challenges related to system enhancements, resource utilization, and compliance with federal and State requirements. In response to these challenges, the 2024 JCR included committee narrative requesting DHS to provide an update on the program’s implementation status.

Implementation Timeline and Program Status

Although the core applications – such as CJAMS, E&E, and CSMS – are operational statewide, substantial design, development, and implementation (DDI) efforts remain ongoing. These efforts include refining and expanding their capabilities, addressing technical issues, and completing full deployment. DJS has discontinued the use of CJAMS because the new case management information system lacks the functionality needed to replace its legacy system, ASSIST. CJAMS was expected to replace the case management functions of ASSIST by the end of fiscal 2024. The department’s withdrawal from CJAMS is further examined in the fiscal 2026 V00A – DJS operating analysis. **DHS should comment on the implications for CJAMS following DJS’ decision to discontinue its use.**

In the report, DHS indicated that the application certification process is planned to be completed for CSMS and E&E by the first quarter of fiscal 2025. **DHS should comment on how certification is being conducted, why certification is still pending despite these systems being in use for several years, and provide an update on whether certification was received. Additionally, DHS should clarify whether CJAMS has already received certification.**

In fiscal 2025 and 2026, DHS plans to address legislative changes, policy updates, audit findings, and process gaps while meeting emerging business needs. Efforts will focus on modernizing systems through shared platform enhancements, improving operational efficiency, enhancing customer service, and ensuring compliance with federal regulations and to modernize systems supporting DHS programs, such as the Supplemental Nutrition Assistance Program (SNAP), Temporary Cash Assistance (TCA), and child welfare services. Maintaining the stability and reliability of the platform remains a top priority throughout this modernization process.

Upcoming initiatives for fiscal 2025 and 2026 aimed at achieving long-term functionality include MD THINK’s plans to enhance system efficiency and functionality across the E&E, CSMS, and CJAMS applications as well as the Shared Platform, through expanded DDI support.

For E&E, key initiatives for fiscal 2025 and 2026 include integrating OHEP and developing the PACE program. Enhancements will streamline the consumer portal, automate Maryland Benefit Review processing, and improve regulatory compliance. Other improvements focus on real-time data integration, in-person interviews for assistance programs, program optimizations, medical expense tracking, and the Unified Benefits system to simplify applications and eligibility identification.

CJAMS will prioritize data-driven decision-making, flexible service plan management, and real-time access to critical client information. Enhancements will include streamlined adoption and kinship care processes, improved provider licensing, and faster foster care approvals. The system will also integrate with external services and refine health information management while ensuring compliance with federal and state regulations.

CSMS efforts will complete federal certification, develop a mobile application, and transition to AWS QuickSight for better data analysis. Additional improvements include real-time data integration, workforce optimization, enhanced customer communication, and improved performance measurement.

The shared platform will strengthen project management, system integration, and compliance monitoring while enhancing data quality, governance, and security. Artificial intelligence-powered analytics, a data repository, and self-service tools will optimize data utilization. Reports will also migrate from Qlik to AWS QuickSight for improved access.

DHS should comment on how much of the \$157.6 million in the fiscal 2026 allowance is for operations and maintenance and how much is for enhancements to the system. In light of the State’s fiscal outlook, DHS should describe why each planned enhancement is essential for fiscal 2026.

Financial Overview

MD THINK’s budget has reflected a significant investment over recent fiscal years. The program’s expenditures include costs for both DDI and maintenance and operations (M&O), with total spending for fiscal 2023, 2024, and 2025 projected to reach \$354.8 million by the end of fiscal 2025.

As shown in **Exhibit 4**, in federal fiscal 2024, MD THINK’s expenditures amounted to approximately \$116.6 million. A significant portion of these funds were directed toward Agile Scrum Team activities and shared platform development. The DDI budget included notable spending on the Agile Scrum Teams, totaling \$43.95 million, as well as \$8.59 million for the shared platform and \$16.4 million for E&E. Additionally, investments in hardware, software, and

AWS hosting contributed to the overall expenditure, with \$3.07 million allocated to hardware/software and \$1.1 million to AWS hosting.

Exhibit 4
MD THINK Utilization of Financial Resources
Federal Fiscal 2023-2025 Estimates
(\$ in Millions)

	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Projection</u>	<u>Total</u>
MD THINK Total Project Cost Design, Development, and Implementation (DDI)				
Salaries, Benefits, NPS	\$724,498	\$644,186		\$1,368,684
Agile Scrum Teams	27,725,534	43,954,001	\$59,236,574	130,916,109
Other Contracts (AWS Hosting)	5,201,271	1,056,718	1,850,000	8,107,989
Hardware/Software	1,272,326	3,065,553	1,500,000	5,837,879
DDI Total	\$34,923,629	\$48,720,458	\$62,586,574	\$146,230,661
MD THINK Total Project Cost Maintenance and Operations (M&O)				
Salaries, Benefits, NPS	\$3,300,489	\$3,627,604		\$6,928,093
Agile Scrum Teams	47,691,991	36,051,933	\$39,696,970	123,440,894
Other Contracts (AWS Hosting)	16,633,967	17,425,021	16,650,000	50,708,988
Hardware/Software	114,800	9,977,675	10,828,400	20,920,875
Rent		762,167		762,167
Training	5,796,153	1,660		5,797,813
Miscellaneous Charges (Other, Subscriptions, Supplies)		20,418		20,418
M&O Total	\$73,537,400	\$67,866,478	\$67,175,370	\$208,579,248
Grand Total	\$108,461,029	\$116,586,936	\$129,761,944	\$354,809,909

AWS: Amazon Web Services
 CJAMS: Child, Juvenile, and Adult Management System
 CSMS: Child Support Management System
 E&E: Eligibility and Enrollment
 MD THINK: Maryland Total Human-services Integrated Network
 NPS: Nonpersonal Services

Source: Department of Human Services

Agile Scrum Team activities refer to the structured, iterative approach used to manage and develop software or platform features. This methodology involves cross-functional teams working in short, focused cycles, called sprints, to deliver incremental improvements to the platform. Each sprint typically lasts a few weeks and includes planning, development, testing, and review. This approach ensures that the project stays adaptable to changing needs and allows for continuous improvements to the platform.

In terms of ongoing operations, the M&O budget has focused on maintaining platform stability. Major expenditures in federal fiscal 2024 included \$36.1 million for Agile Scrum Teams and \$18.89 million for the shared platform. AWS hosting also accounted for \$17.4 million, and \$10.0 million was invested in hardware/software.

While the DDI funds were primarily used for system enhancements and new functionalities, M&O funds supported the program’s ongoing operations, ensuring continued functionality and stability of the MD THINK platform.

When comparing the MD THINK expenditures outlined in the report with the State budget, notable disparities emerge. The State budget shows substantially higher expenditures for fiscal 2024 and 2025, which continue to rise into fiscal 2026. Specifically, for fiscal 2024, the State budget indicates that \$206.5 million was expended compared to the \$116.6 million reported by DHS. In fiscal 2025, the State budget includes \$136.3 million, contrasting with DHS’s reported \$129.8 million. Although some difference would be expected given that the information contained in Exhibit 5 was reported by DHS on a federal fiscal year rather than a State fiscal year basis, the substantial difference in fiscal 2024 would not be fully explained by this. Furthermore, upon comparing the MD THINK funding with the major IT project funding detailed in **Appendix 3**, **Appendix 4**, and **Appendix 5**, a significant disparity becomes evident. For instance, IT project allocations for fiscal 2026 are specified as \$19.8 million for CJAMS, \$21.2 million for CSMS, and \$24.8 million for E&E, totaling \$65.8 million. In contrast, the fiscal 2026 allowance for MD THINK amounts to \$158 million, highlighting an unaccounted gap of \$92.2 million for which DHS has not furnished specific utilization details. **DHS should discuss the cause of the discrepancy in reported spending and the reason that the fiscal 2026 allowance includes such a significantly higher level of funding than DHS reported has been spent in recent years.**

Audit of DoIT Includes Findings Related to MD THINK

In March 2024, the Office of Legislative Audits (OLA) published a fiscal compliance audit of DoIT, covering the period from May 7, 2018, to December 31, 2022. The audit identified 16 findings, of which 2 findings were related to concerns over the management of the MD THINK project. Specifically, finding 5 highlighted that DoIT was unable to sufficiently explain or justify the increase in MD THINK costs, from the original \$166.4 million approved by BPW in May 2018 to \$588.8 million in October 2022, as well as delays that have resulted in the project being approximately three years behind its initial completion date, while Finding 6 indicated that DoIT did not ensure that Independent Verification and Validation (IV&V) assessment findings were resolved timely by DHS and the MD THINK Executive Committee.

The MD THINK project was supported by four contracts totaling \$166.4 million, initially approved by BPW between April 2017 and May 2018. These contracts encompassed platform and application development, cloud hosting services, independent verification and validation services, and a building lease for project personnel. The project’s completion was initially projected for May 2021, with approximately 77% of its funding derived from federal sources.

However, multiple contract modifications, including changes to project scope and time extensions, contributed to the increase in costs and delays. As of June 30, 2022, there were 17 contract modifications that extended the completion timeline to the end of fiscal 2023 and added additional agency applications and cloud services. According to the audit, the re-baseline requests submitted by DHS in January and June 2022 attributed cost increases and delays to several factors. Challenges with the E&E component arose during field testing, requiring adjustments based on changes mandated by the U.S. Department of Agriculture. Similarly, issues identified in the pilot phase of the CSMS application necessitated redesigning system workflows. The juvenile services module of CJAMS also revealed gaps in functionality that required additional development efforts. **DHS should discuss the steps being taken to address functionality gaps in deployed components and the challenges encountered during implementation.**

Given the significant investment and ongoing challenges related to the MD THINK platform, including the increase in costs, delays in implementation, and the need for continued system enhancements, DLS recommends adopting committee narrative requesting DHS to submit a report on the costs, implementation progress, and long-term sustainability of MD THINK.

Program Impact

According to the report, MD THINK has achieved measurable improvements in service delivery and user satisfaction. For example, enhancements to the Consumer and Worker Portal, developed using human-centered design principles, have led to a 25% increase in user satisfaction. The implementation of innovative tools like the Qless queue management system has streamlined appointment scheduling for DHS programs, resulting in a 30% reduction in cancellations and no-shows within the first three weeks of deployment.

The platform has also demonstrated its ability to respond quickly to emerging challenges. Maryland’s efforts to address Electronic Benefits Transfer (EBT) theft, supported by MD THINK, enabled the creation of an expanded reimbursement program within 30 days. As of September 2024, this initiative has restored \$29.9 million in stolen benefits providing financial relief to over 47,000 households. Regarding the Maryland SUN Bucks program, the program delivered summer EBT benefits to over 594,000 children in 2024.

External Utilization of MD THINK

DHS reported the integration of 16 external agencies products fully implemented into the MD THINK platform since 2018 and a list of 8 agency products that, as of January 2024 were in the process of transitioning to the MD THINK platform. **Appendix 6** provides information

included in the JCR report, which represents data as of January 2024. The total cost, including expenses from the design, development, and implementation phase, along with the costs of maintaining and operating the system for the initial year post implementation, stands at \$59.5 million.

2. New DHS Data Office

In January 2025, DHS announced the establishment of a new DHS Data Office to modernize data collection and public reporting across its programs and divisions. With the announcement, DHS launched the office’s webpage, along with new data on the replacement of stolen benefits. DHS reports an interactive dashboard on stolen benefits and child fatality reports are set for release in February 2025.

The DHS Data Office will coordinate experts from across the department, including SSA, FIA, and Child Support Administrations (CSA), and LDSS.

DHS reports that the foundation for the Data Office began in September 2023 with the hiring of a chief data officer and the recruitment of 3 data analysts (1 assigned to each administration). Although DHS indicates that the office is located within the Office of the Secretary, the agency reports that the office is funded through existing budget allocations in OTHS. DHS anticipates completing a realignment to move the budget for this office to the Office of the Secretary in the next budget submission. In addition, DHS plans to formalize the office’s structure by updating its chart of accounts with DBM and DLS.

The primary goals of the Data Office include:

- ***Using Real-time Data to Drive Decisions:*** improving service delivery by directing resources to areas identified by real-time data;
- ***Enhancing Data Sharing Across DHS Departments:*** streamlining internal data collection practices to reduce duplication and support better decision making; and
- ***Ensuring Data Privacy, Safety, and Accountability:*** establishing secure and transparent data collection practices, protecting individual privacy, and ensuring public-facing data is validated and comprehensive.

To support external stakeholders, the Data Office will develop a data request form for organizations without existing data-use agreements.

DHS reported in January 2025 that it is unable to provide data on fiscal 2024 performance on measures related to child welfare to DLS because of data accuracy concerns. Data accuracy concerns undermine the office’s goal of improving data-driven decision making and undermines the overall effectiveness of the new office. This issue could hinder the achievement of the Data

Office’s objectives, such as streamlining internal data collection practices and ensuring the accuracy of public-facing data.

DHS should discuss:

- **the steps that it is taking to ensure data reporting throughout the department is accurate and timely including any internal audits of existing data that have been conducted or are underway;**
- **the timetable for resolving data issues;**
- **the impact data integrity issues will have on the on the ability of the new office to produce reliable internal and public facing data; and**
- **the cost of the new office.**

3. Audit Overview of DHS’ Budget Closeout Transactions

In January 2025, OLA published a fiscal compliance audit for fiscal 2024, reviewing budget closeout transactions for MDH, DHS, and the Maryland State Department of Education (MSDE). The audit assessed whether year-end financial entries were properly supported and in compliance with State budgetary laws, regulations, and accounting policies. Additionally, OLA identified significant liabilities or other issues related to closeout.

For DHS, the audit reported five findings, two of which are already covered in the N00 – DHS Overview analysis. While these findings addressed various financial discrepancies, the focus of this section is specifically on Finding 9, which highlights a substantial deficit in a nonbudgeted clearing account.

Finding 9: DHS Deficit in Nonbudgeted Clearing Account

DHS ended fiscal 2024 with a \$100.2 million deficit balance in a nonbudgeted clearing account used to initially record general and federal fund expenditures for assistance payments such as TCA. The audit report notes that typically these expenditures are transferred to the appropriate budgetary units and allocated between federal and general funds.

However, the audit notes that DHS management was unaware of this deficit until December 2024 when it was brought to their attention as part of the audit. OLA notes that the agency has since begun investigating the cause of the negative balance and assessing corrective actions. OLA noted that if other funding sources are not identified, general funds may be required to resolve the deficit.

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The audit notes that DHS is reviewing the transactions that contributed to the deficit. The agency is working to determine whether federal or special funds are available to address the shortfall or if a deficiency appropriation will be necessary in a future budget cycle. **DHS should discuss any identified sources to address this deficit or if general funds will be required and the efforts that it has undertaken to monitor clearing accounts moving forward.**

Operating Budget Recommended Actions

1. Adopt the following narrative:

Report on the Costs, Implementation Progress, and Long-term Sustainability of the Maryland Total Human-services Integrated Network (MD THINK): MD THINK has required significant investment and continues to face challenges related to rising costs, delays in implementation, and ongoing system enhancements. The committees request that the Department of Human Services (DHS) submit a report providing information on how it is working with the Department of Information Technology to address audit findings related to MD THINK as well as the current and future status of the platform, including:

- status of federal certification for the Child Support Management System (CSMS), including anticipated timing if certification is not yet complete;
- planned enhancements and improvements for MD THINK components (Eligibility and Enrollment; the Child, Juvenile, and Adult Management System; and CSMS), including specific timelines and cost estimates;
- projected spending beyond fiscal 2025, including detailed projections for fiscal 2026 through 2029 and anticipated federal contributions;
- maintenance and operation costs and activities, including ongoing support requirements for each MD THINK component;
- efforts to address data integrity issues, including measures taken to improve accuracy, reduce errors, and enhance data validation;
- steps DHS is taking to ensure long-term sustainability of MD THINK, including financial planning and resource allocation;
- plans to enhance data analytics and mobile accessibility, particularly for caseworkers and external users; and
- status of external agency integration, focusing on active and upcoming integration efforts rather than historical integrations.

Information Request	Author	Due Date
Report on MD THINK costs, implementation progress, and long-term sustainability	DHS	September 15, 2025

Appendix 1
2024 Joint Chairmen’s Report Responses from Agency

The 2024 JCR requested that DHS prepare two reports. Electronic copies of the full JCR responses can be found on the DLS Library website.

- ***Report on MD THINK Status and Utilization:*** DHS provided, as of January 2025, a report with information on MD THINK implementation status, including a timeline of the status of past, present, and future phases of the project; details of the allocation and utilization of financial resources; impact of improvement efforts; and an updated list of non-DHS agencies that have transitioned or plan to transition to the platform and upcoming initiatives. Further discussion of this data can be found in Key Observation 1 of this analysis.

- ***DHS Efforts to Fill Vacant Positions:*** DHS provided a report with information on the department’s efforts to fill vacant positions and employee recruitment efforts to fill those vacant positions. Further discussion of DHS’ response is included in the Personnel section of this analysis.

Appendix 2
Closeout Audit Findings – Related to DHS

Audit Period for Last Audit:	Fiscal 2024
Issue Date:	January 2025
Number of Findings:	5
Number of Repeat Findings:	0
% of Repeat Findings:	0%
Rating: (if applicable)	n/a

Finding 2: DHS could not provide documentation to support the propriety of accrued federal fund revenue totaling \$877.2 million in positive entries and \$500.4 million in negative entries or the subsequent recovery of the funds.

Finding 6: Year-end expenditure entries recorded by DHS were not always supported, certain of which resulted in the improper reversion of \$64.3 million in general funds.

Finding 8: DHS did not report potential unprovided for general fund payables totaling \$26 million to the General Accounting Division.

Finding 9: DHS had a \$100.2 million deficit balance in a non-budgeted clearing account that may require general funds to resolve.

Finding 11: DHS had year-end deficit balances in certain special funds that may require general funds to resolve.

Appendix 3
Child, Juvenile, and Adult Management System
Major Information Technology Development Project
Department of Human Services – Administration

Further discussion of the MD THINK – CJAMS project can be found in Issue 1 in this analysis.

Ongoing								
Start Date: Fiscal 2017					Est. Completion Date: Fiscal 2028			
Implementation Strategy: Agile								
(\$ in Millions)	Prior Year	2025	2026	2027	2028	2029	Remainder	Total
GF	\$0.000	\$0.000	\$14.960	\$0.000	\$0.000	\$0.000	\$0.000	\$14.960
FF	0.000	0.000	4.872	0.000	0.000	0.000	0.000	4.872
Total	\$0.000	\$0.000	\$19.833	\$0.000	\$0.000	\$0.000	\$0.000	\$19.833

- **Project Summary:** The CJAMS project provides a platform for the management of Child Welfare and Adult Services as well as a provider portal and a portal for licensing and monitoring. This effort is administered by DHS, SSA, and the Office of Licensing and Monitoring. The fiscal 2026 allowance includes \$100,000 for oversight.
- **Need:** CJAMS provides services to Maryland’s vulnerable children, youth, adults, and families to ensure their stability and well-being. The system serves to document services, plans of care, and collaboration with families served and allows for defect management and future enhancements.
- **Observations and Milestones:** Much of the project work is finalizing the design, development, and implementation.
- **Changes:** DHS leadership has reviewed MD THINK’s design, development, and implementation work and made course corrections to existing applications’ core stability before moving to a maintenance and operation focus.
- **Concerns:** Defects in the production applications continue to occur thousands of times a month. This continued instability in MD THINK’s applications makes supportability uncertain at best.

Appendix 4
Child Support Management System
Major Information Technology Development Project
Department of Human Services – Administration

Further discussion of the MD THINK – CSMS project can be found in Issue 1 in this analysis.

Ongoing								
Start Date: Fiscal 2017					Est. Completion Date: Fiscal 2028			
Implementation Strategy: Agile								
(\$ in Millions)	Prior Year	2025	2026	2027	2028	2029	Remainder	Total
GF	\$0.000	\$0.000	\$5.643	\$0.000	\$0.000	\$0.000	\$0.000	\$5.643
FF	0.000	0.000	15.581	0.000	0.000	0.000	0.000	15.581
Total	\$0.000	\$0.000	21.224	\$0.000	\$0.000	\$0.000	\$0.000	\$21.224

- **Project Summary:** CSMS streamlines the process for applying for child support online; reduces case processing time that leads to faster receipt of benefits; and improves data quality, increasing opportunities to support families receiving services and paying support. Integrating with Maryland’s human service programs enable parents to easily apply for multiple benefits, including cash and food assistance. The fiscal 2026 allowance includes \$100,000 for oversight and \$1,000,000 for IV&V.
- **Need:** CSA provides critical funding and services throughout the state of Maryland.
- **Observations and Milestones:** Much of CSMS is under continued development.
- **Changes:** Redeveloped and implemented the Driver’s License Suspension Interface to correctly align with the new Maryland Motor Vehicle Administration licensing system.
- **Concerns:** Defects in production continue to hinder the effective use of CSMS. CSMS interfaces with multiple state and federal agencies and multiple vendors.

Appendix 5
Eligibility and Enrollment
Major Information Technology Development Project
Department of Human Services – Administration

Further discussion of the MD THINK – E&E project can be found in Issue 1 in this analysis.

Ongoing								
Start Date: Fiscal 2017					Est. Completion Date: Fiscal 2028			
Implementation Strategy: Agile								
(\$ in Millions)	Prior Year	2025	2026	2027	2028	2029	Remainder	Total
GF	\$0.000	\$0.000	\$9.057	\$0.000	\$0.000	\$0.000	\$0.000	\$9.057
FF	0.000	0.000	15.743	0.000	0.000	0.000	0.000	15.743
Total	\$0.000	\$0.000	24.799	\$0.000	\$0.000	\$0.000	\$0.000	\$24.799

- **Project Summary:** E&E provides access to public assistance programs administered by FIA on the MD THINK cloud-based platform for State health and human services.
- **Need:** E&E provides access to public assistance programs administered by FIA. Built on the MD THINK shared technology platform, the E&E system enables seamless integration across multiple agencies and applications by utilizing shared technical services. This modernization effort is designed to optimize the department’s business practices, enhance operational efficiency, and deliver exceptional customer service to Maryland residents. The fiscal 2026 allowance includes \$100,000 for oversight.
- **Observations and Milestones:** In federal fiscal 2024 and 2025, DHS implemented an EBT fraud replacement function to replace SNAP and cash benefits stolen from customers’ EBT cards; the “Heat & Eat” project to utilize Low Income Home Energy Assistance Program funds to give SNAP customers a nominal energy payment to qualify for the SNAP Standard Utility Allowance, which then increases the customer’s SNAP allotment.
- **Concerns:** Defects in the production applications continue to occur thousands of times a month. This continued instability in MD THINK’s applications make supportability uncertain.

**Appendix 6
External Agency Products Fully Integrated and Currently Being
Implemented on the MD THINK Platform**

<u>Business Suite – Project</u>	<u>Start Date</u>	<u>Go-live Date</u>	<u>Cost</u>
Medicaid			
Eligibility and Enrollment – Hospice and Maryland Day Care	11/14/2022	Q1/2025	\$5,655,200
Medicaid Enterprise – Provider Management Module	3/1/2022	Q2/2025	2,455,349
Division of Recoveries and Financial Services CRM (Salesforce) – Recoveries and Financial Services	6/6/2022	Phase 1: 10/1/2023 Phase 2: Q2/2025	1,163,392
Medicaid Enterprise System – Enterprise Integration Services	3/1/2022	7/24/2023	1,071,000
Medicaid Enterprise System – Long-Term Support Services	10/24/2022	4/30/2023	7,592,880
Enterprise Document Management System – Department of Recoveries and Financial Services and Healthy Kids	8/2/2022	4/10/2023	4,609,262
CRM – Interactive Voice Recognition – Eligibility Verification System	6/1/2022	1/18/2023	698,795
Medicaid Enterprise System – eMedicaid	7/1/2019	1/5/2020	1,473,302
Other MDH			
Public Health Services – Breast and Cervical Cancer Diagnosis and Treatment	10/17/2022	3/10/2025	3,352,464
Public Health Services – Child Medical Services	10/17/2022	Phase 1: 12/16/2024 Phase 2: Q1/2025	2,724,754
Public Health Services – Kidney Disease Program	10/17/2022	3/17/2025	3,155,034

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<u>Business Suite – Project</u>	<u>Start Date</u>	<u>Go-live Date</u>	<u>Cost</u>
Electronic Vital Records Registration System – Electronic Birth Registration System/Electronic Death Registration System/Fetal Death Registration System/ Electronic Verification Vital Events/Work Order Management System/Real ID	3/1/2021	12/22/2025	6,200,619
Independent Products – Product and Operations	10/17/2022	4/5/2023	3,197,075
Independent Products – Maryland Medical Cannabis Commission	11/1/2022	2/28/2023	55,920
Prevention of Health Promotion Administration – Contact Tracing Unit	11/15/2021	11/22/2022	82,587
Antipsychotic Prescription Review Program and High Cost Drug Data – Office of Pharmacy Services	6/17/2022	7/22/2022	583,754
Public Health Services – Hilltop Managed File Transfer	4/25/2022	6/10/2022	95,144
Public Health Services – Hospital Surge Engagement Team – Jensen	3/4/2022	4/18/2022	729,416
Other Agencies			
MHEC – Document Management System	Pending SOW/ Approvals	TBD	75,000
MD Labor – Research Improving People’s Lives – MD Job Genie	11/22/2022	12/12/2022	61,550
DPSCS – Independent Products – Re-Entry Passport	4/11/2022	10/4/2022	584,650
MHBE – Maryland Health Connection – Health Benefit Exchange Apps	12/6/2018	8/12/2019	12,778,481

CRM: Customer Relationship Management
DPSCS: Department of Public Safety and Correctional Services
MDH: Maryland Department of Health
Commission

MD Labor: Maryland Department of Labor
MHBE: Maryland Health Benefit Exchange
MHEC: Maryland Higher Education

Note: Data Informed Overdose Risk Mitigation has been archived and deprecated.

Source: Department of Human Services

Appendix 7
Object/Fund Difference Report
Department of Human Services – Administration

<u>Object/Fund</u>	<u>FY 24</u> <u>Actual</u>	<u>FY 25</u> <u>Working</u> <u>Appropriation</u>	<u>FY 26</u> <u>Allowance</u>	<u>FY 25 - FY 26</u> <u>Amount Change</u>	<u>Percent</u> <u>Change</u>
Positions					
01 Regular	760.00	760.00	763.00	3.00	0.4%
02 Contractual	9.66	3.33	3.33	0.00	0%
Total Positions	769.66	763.33	766.33	3.00	0.4%
Objects					
01 Salaries and Wages	\$ 78,433,511	\$ 87,222,604	\$ 94,560,685	\$ 7,338,081	8.4%
02 Technical and Special Fees	2,277,218	719,302	951,103	231,801	32.2%
03 Communication	10,823,766	11,610,803	11,612,072	1,269	0%
04 Travel	215,910	417,676	415,681	-1,995	-0.5%
06 Fuel and Utilities	411,424	460,892	460,892	0	0%
07 Motor Vehicles	144,692	362,267	343,199	-19,068	-5.3%
08 Contractual Services	265,933,874	188,371,755	218,847,362	30,475,607	16.2%
09 Supplies and Materials	957,422	1,172,611	1,426,524	253,913	21.7%
10 Equipment – Replacement	1,888,046	2,324,647	2,324,647	0	0%
11 Equipment – Additional	877,492	624,735	624,735	0	0%
12 Grants, Subsidies, and Contributions	26,491,413	2,469,678	2,469,678	0	0%
13 Fixed Charges	5,386,989	10,617,316	10,695,386	78,070	0.7%
Total Objects	\$ 393,841,757	\$ 306,374,286	\$ 344,731,964	\$ 38,357,678	12.5%
Funds					
01 General Fund	\$ 171,339,404	\$ 134,648,101	\$ 151,743,036	\$ 17,094,935	12.7%
03 Special Fund	3,217,242	2,802,896	6,202,201	3,399,305	121.3%
05 Federal Fund	167,729,316	138,074,297	154,332,735	16,258,438	11.8%
09 Reimbursable Fund	51,555,795	30,848,992	32,453,992	1,605,000	5.2%
Total Funds	\$ 393,841,757	\$ 306,374,286	\$ 344,731,964	\$ 38,357,678	12.5%

Note: The fiscal 2025 appropriation does not include deficiencies. The fiscal 2026 allowance does not include statewide salary adjustments budgeted within the Department of Budget and Management.

**Appendix 8
Fiscal Summary
DHS – Administration**

<u>Program/Unit</u>	<u>FY 24 Actual</u>	<u>FY 25 Wrk Approp</u>	<u>FY 26 Allowance</u>	<u>Change</u>	<u>FY 25 - FY 26 % Change</u>
01 Office of the Secretary	\$ 27,316,374	\$ 18,240,339	\$ 30,420,193	\$ 12,179,854	66.8%
02 Citizen’s Review Board for Children	1,031,588	811,299	896,048	84,749	10.4%
03 Commissions	159,677	176,315	188,047	11,732	6.7%
04 Legal Services Program Management	9,798,441	10,136,745	11,184,363	1,047,618	10.3%
01 Division of Budget, Finance, and Personnel	30,605,138	28,136,548	27,921,822	-214,726	-0.8%
02 Division of Administrative Services	16,292,421	10,745,061	11,166,749	421,688	3.9%
04 General Administration	53,565,581	50,796,522	52,210,584	1,414,062	2.8%
05 Unknown Title	206,534,849	136,264,606	157,583,820	21,319,214	15.6%
05 General Administration	48,537,688	51,066,851	53,160,338	2,093,487	4.1%
Total Expenditures	\$ 393,841,757	\$ 306,374,286	\$ 344,731,964	\$ 38,357,678	12.5%
General Fund	\$ 171,339,404	\$ 134,648,101	\$ 151,743,036	\$ 17,094,935	12.7%
Special Fund	3,217,242	2,802,896	6,202,201	3,399,305	121.3%
Federal Fund	167,729,316	138,074,297	154,332,735	16,258,438	11.8%
Total Appropriations	\$ 342,285,962	\$ 275,525,294	\$ 312,277,972	\$ 36,752,678	13.3%
Reimbursable Fund	\$ 51,555,795	\$ 30,848,992	\$ 32,453,992	\$ 1,605,000	5.2%
Total Funds	\$ 393,841,757	\$ 306,374,286	\$ 344,731,964	\$ 38,357,678	12.5%

Note: The fiscal 2025 appropriation does not include deficiencies. The fiscal 2026 allowance does not include statewide salary adjustments budgeted within the Department of Budget and Management.