

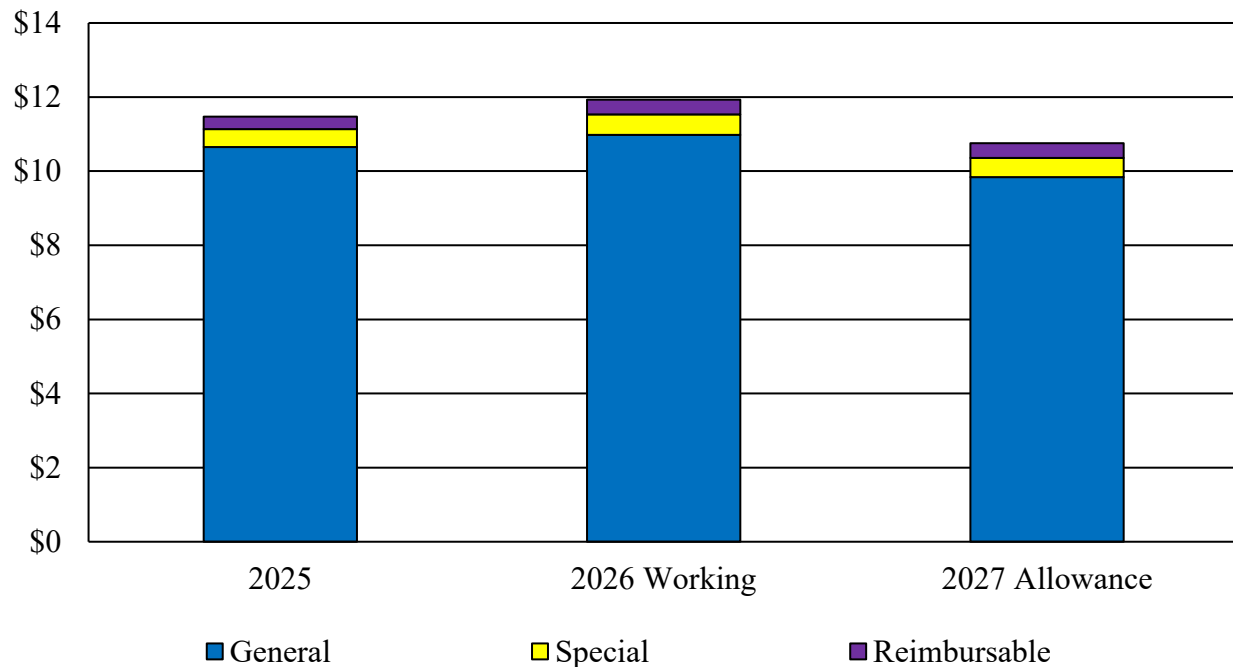
D15A05
Boards, Commissions, and Offices
Executive Department

Program Description

The Boards, Commissions, and Offices unit of the Executive Department contains various entities that provide coordination for Executive Branch functions or make recommendations on problems affecting the administration of government or the welfare of the State. The unit includes Survey Commissions; the Governor's Office of Community Initiatives (GOCI); the State Ethics Commission; the Health Care Alternative Dispute Resolution Office (HCADRO); the Maryland State Commission on Criminal Sentencing Policy (MSCCSP); the Governor's Grants Office (GGO); the Public Employee Relations Board; and the State Board of Contract Appeals. Beginning in fiscal 2026, the Governor's Office of Small, Minority, and Women Business Affairs (GOSBA) was transferred to the new Department of Social and Economic Mobility (DoSEM).

Operating Budget Summary

Fiscal 2027 Budget Decreases \$1.2 Million, or 9.9%, to \$10.8 Million
(\$ in Millions)



Note: The fiscal 2026 working appropriation accounts for deficiencies. The fiscal 2027 statewide salary adjustments are centrally budgeted in the Department of Budget and Management and are not included in this agency's budget.

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Fiscal 2026

GOSBA Transfer to DoSEM

Chapter 605 of 2025 created DoSEM as a principal department in the Executive Branch. The legislation transferred all staff, including 17 positions, and funding from GOSBA to DoSEM, effective October 1, 2025. Consistent with the Act, a fiscal 2026 budget amendment transferred \$1,910,067 in general funds from GOSBA to DoSEM to support personnel and operating expenses. This action left \$587,388 in remaining general funds in the Executive Department budget to cover the first quarter of expenses in fiscal 2026.

Proposed Deficiency

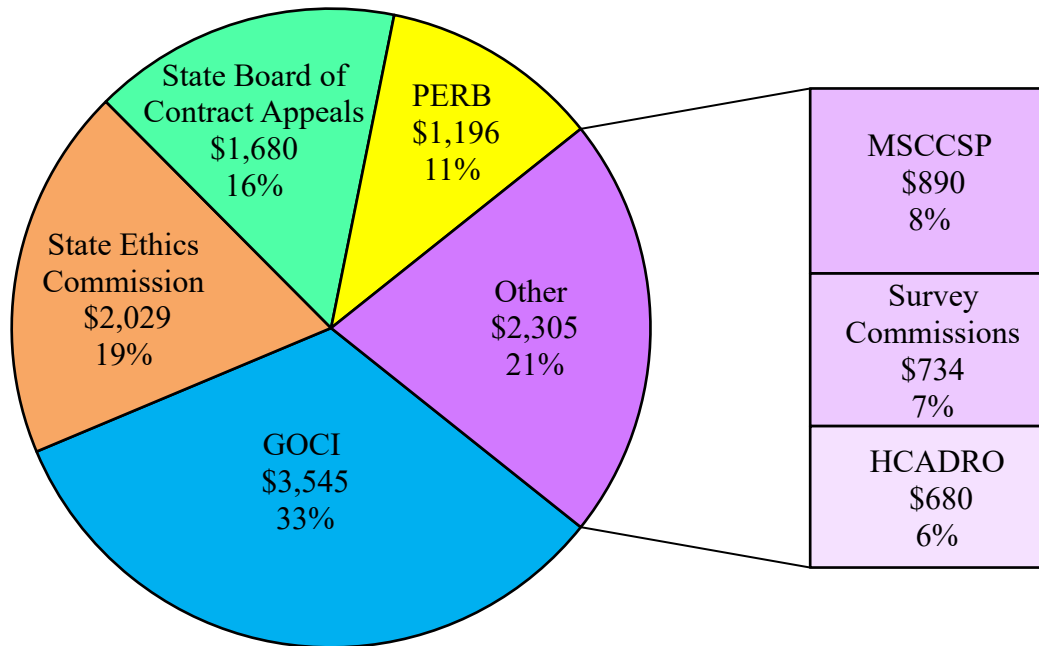
The Boards, Commissions, and Offices unit of the Executive Department has personnel deficiencies totaling \$280,253 in general funds, which include:

- \$191,738 to cover shortfalls related to lower than expected vacancy savings for GOCI, HCADRO, and the State Board of Contract Appeals; and
- \$88,515 to align budgeted turnover under GOCI with recent vacancy rates due to positions being filled at higher levels than anticipated.

Fiscal 2027 Overview of Agency Spending

As shown in **Exhibit 1**, the fiscal 2027 allowance totals \$10.8 million across seven programs budgeted within the Boards, Commissions, and Offices unit. GOCI accounts for \$3.5 million of the allowance, representing the largest program within the unit. This office coordinates community activities statewide and advises the Governor on policies designed to enhance and strengthen community programs. The State Ethics Commission is the second largest program with an allowance of \$2.0 million to support its ethics oversight and enforcement responsibilities. The fiscal 2027 budget for the State Board of Contract Appeals totals \$1.7 million. The Public Employee Relations Board accounts for \$1.2 million, and the remaining funding is distributed among MSCCSP, Survey Commissions, and HCADRO, each funded at under \$1.0 million.

Exhibit 1
Overview of Agency Spending
Fiscal 2027 Allowance
(\$ in Thousands)



GOCI: Governor's Office of Community Initiatives
HCADRO: Health Care Alternative Dispute Resolution Office
MSCCSP: Maryland State Commission on Criminal Sentencing Policy
PERB: Public Employee Relations Board

Note: The fiscal 2027 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 2027 Budget Books

Proposed Budget Change

The fiscal 2027 allowance decreases by \$1.2 million, or 9.9%, compared to the fiscal 2026 working appropriation after accounting for proposed deficiencies. This reduction is primarily driven by a decrease of \$587,388 in general funds associated with the transfer of GOSBA to DoSEM and a decrease of \$493,506, including \$410,506 in general funds, \$60,000 in special funds, and \$23,000 in reimbursable funds, resulting from the relocation of GGO to the Office of the Governor. As shown in **Exhibit 2**, the largest change is a reduction of \$819,359 in reclassifications mainly due to the transfer of 17 positions from GOSBA and 2 positions from GGO. Other reductions include \$219,266 in cost allocations driven by Department of Information Technology services and budget system costs and \$205,636 in one-time grant funding under the Governor's Office of Immigrant Affairs within GOCI. These decreases are partially offset by a net increase of \$351,367 in personnel expenses driven by a turnover rate change and health insurance costs.

Exhibit 2
Proposed Budget
Executive Department – Boards, Commissions, and Offices
(\$ in Thousands)

How Much It Grows:	General <u>Fund</u>	Special <u>Fund</u>	Reimb. <u>Fund</u>	<u>Total</u>
Fiscal 2025 Actual	\$10,648	\$484	\$341	\$11,473
Fiscal 2026 Working	10,978	551	401	11,930
Fiscal 2027 Allowance	9,837	522	396	10,755
Fiscal 2026-2027 \$ Change	-1,141	-29	-6	-1,176
Fiscal 2026-2027 % Change	-10.39%	-5.28%	-1.44%	-9.85%

Where It Goes:	<u>Change</u>
Personnel Expenses	
Turnover decreases from 5.77% to 1.55%	\$304
Employee and retiree health insurance	203
Deferred compensation match due to change in budgeting.....	21
Tuition waivers	-4
Salary adjustments and associated fringe benefits	-172
Technical adjustments driven by the transfer of 17 positions from GOSBA and 2 positions from GGO	-819
Other Changes	
Adjustment to maintenance and routine system updates for the State Ethics Commission.....	-20

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Where It Goes:	<u>Change</u>
Routine operating expenses, including advertising, printing, and equipment rental.....	-26
Travel expenses	-31
Communications, equipment and motor vehicle operation maintenance	-38
MSCCSP, realignment of general funds to reflect anticipated expenses for MAGS	-51
Transfer of GGO from the Boards, Commissions, and Offices unit	-83
GOCI grants due to a reduction in one-time Immigrant Affairs grant funding.....	-206
Cost allocation, primarily driven by DoIT Services and budget system costs to account for the transfers of GOSBA and GGO	-219
Other expenditures.....	-35
Total	<u>-\$1,176</u>

DoIT: Department of Information Technology

GGO: Governor's Grants Office

GOCI: Governor's Office of Community Initiatives

GOSBA: Governor's Office of Small, Minority, and Women Business Affairs

MAGS: Maryland Automated Guidelines System

MSCCSP: Maryland State Commission on Criminal Sentencing Policy

Note: Numbers may not sum to total due to rounding. The fiscal 2026 working appropriation accounts for deficiencies. The fiscal 2027 statewide salary adjustments are centrally budgeted in the Department of Budget and Management and are not included in this agency's budget.

Personnel Data

	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 26-27</u>
	<u>Actual</u>	<u>Working</u>	<u>Allowance</u>	<u>Change</u>
Regular Positions	67.00	55.00	53.00	-2.00
Contractual FTEs	<u>2.30</u>	<u>2.00</u>	<u>2.00</u>	<u>0.00</u>
Total Personnel	69.30	57.00	55.00	-2.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	0.82	1.55%
Positions and Percentage Vacant as of 12/31/2025	3.00	5.45%
Vacancies Above Turnover	2.18	

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- On October 22, 2025, the Board of Public Works approved the abolition of 502.7 positions statewide, including 170.7 vacant positions and 332.0 positions associated with the Voluntary Separation Program. In the Executive Department – Boards, Commissions, and Offices, 3 vacant positions were abolished. One position was from GOSBA, and 2 positions were budgeted within the State Board of Contract Appeals and supported Law Clerk engagement.
- The fiscal 2027 allowance reflects a decrease of 2 positions due to the transfer of GGO operations and positions to the Office of the Governor.
- As of December 31, 2025, the agency reported 3 vacant positions. However, this includes 2.0 vacant positions reported under GOSBA that are transferred to DoSEM in fiscal 2026. There is 1.0 vacant position within the Public Employee Relations Board. In line with the low number of vacant positions, turnover expectancy decreases from 5.77% in fiscal 2026 to 1.55% in the fiscal 2027 allowance.

Operating Budget Recommended Actions

1. Concur with Governor's allowance.

Appendix 1
2025 Joint Chairmen’s Report Responses from Agency

The 2025 *Joint Chairmen’s Report* (JCR) requested that Executive Department – Boards, Commissions, and Offices prepare one report. Electronic copies of the full JCR responses can be found on the Department of Legislative Services Library website.

- ***County Executive Ethics Law Report:*** On November 20, 2025, the State Ethics Commission provided a report on the conflict of interest and financial disclosure provisions in the 10 Maryland jurisdictions with a county executive form of government. These jurisdictions include nine counties – Anne Arundel, Baltimore, Cecil, Frederick, Harford, Howard, Montgomery, Prince George’s, and Wicomico counties – and Baltimore City, where the mayor serves as the chief executive. The review determined whether each jurisdiction’s ethics laws meet or exceed the requirements established under State laws and regulations. Overall, the commission’s findings reflect broad compliance with State ethics standards across the jurisdictions reviewed, with exception to Harford County, which is working with the commission to update its local ethics law to include all required conflict of interest and financial disclosure provisions.

Appendix 2
Object/Fund Difference Report
Executive Department – Boards, Commissions, and Offices

<u>Object/Fund</u>	<u>FY 25 Actual</u>	<u>FY 26 Wrk Approp</u>	<u>FY 27 Allowance</u>	<u>FY 26 - 27 \$ Change</u>	<u>% Change</u>
Positions					
01 Regular	67.00	55.00	53.00	-2.00	-3.6%
02 Contractual	2.30	2.00	2.00	0.00	0.0%
Total Positions	69.30	57.00	55.00	-2.00	-3.5%
Objects					
01 Salaries, Wages and Fringe Benefits	\$9,162,986	\$8,731,946	\$8,263,954	-\$467,992	-5.4%
02 Technical and Special Fees	933,923	956,370	946,131	-10,239	-1.1%
03 Communications	84,307	55,817	46,234	-9,583	-17.2%
04 Travel	66,239	132,884	101,961	-30,923	-23.3%
07 Motor Vehicle Operation and Maintenance	11,292	13,647	11,032	-2,615	-19.2%
08 Contractual Services	949,053	1,353,289	967,073	-386,216	-28.5%
09 Supplies and Materials	28,595	50,983	19,885	-31,098	-61.0%
10 Equipment – Replacement	5,126	19,804	8,880	-10,924	-55.2%
11 Equipment – Additional	11,762	27,605	2,000	-25,605	-92.8%
12 Grants, Subsidies, and Contributions	0	350,000	144,364	-205,636	-58.8%
13 Fixed Charges	219,678	238,037	243,163	5,126	2.2%
Total Objects	\$11,472,961	\$11,930,382	\$10,754,677	-\$1,175,705	-9.9%
Funds					
01 General Funds	\$10,648,065	\$10,978,180	\$9,837,322	-\$1,140,858	-10.4%
03 Special Funds	483,649	550,913	521,830	-29,083	-5.3%
09 Reimbursable Funds	341,247	401,289	395,525	-5,764	-1.4%
Total Funds	\$11,472,961	\$11,930,382	\$10,754,677	-\$1,175,705	-9.9%

Note: The fiscal 2026 appropriation includes proposed deficiency appropriations. The fiscal 2027 allowance does not include statewide salary adjustments budgeted within the Department of Budget and Management.