

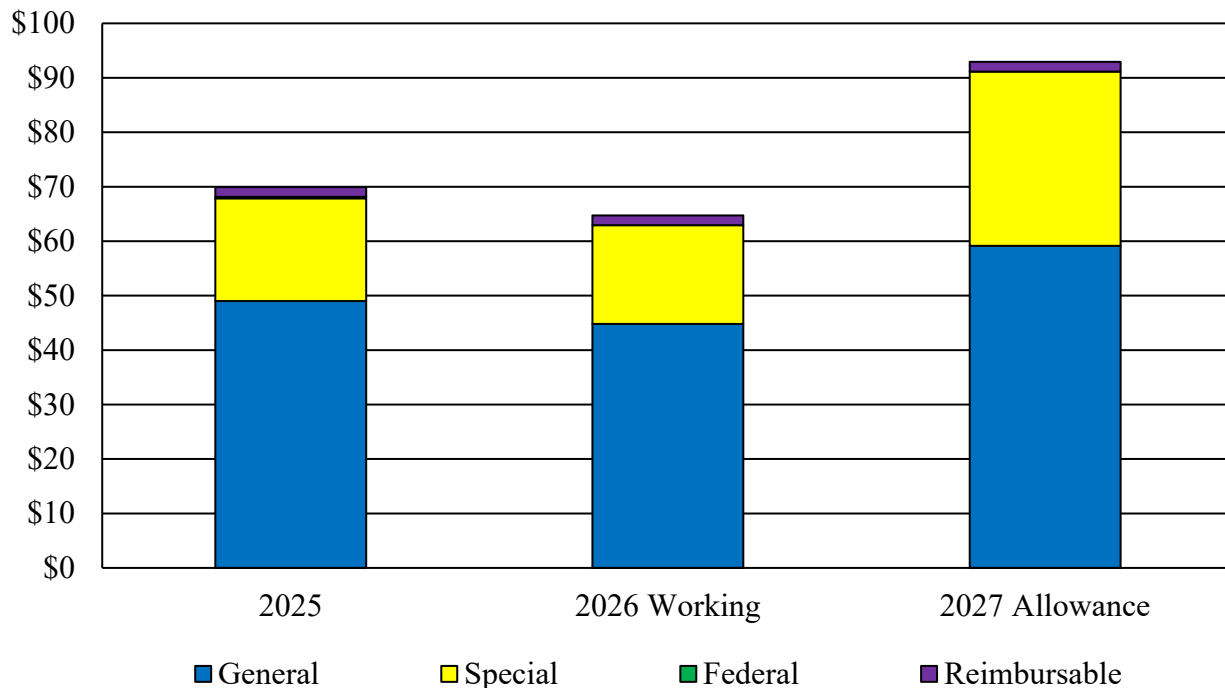
D18 Governor's Office for Children

Program Description

In January 2024, the Governor's Office for Children (GOC) was reestablished by Executive Order 01.01.2024.05, and the reestablishment was codified through Chapters 408 and 735 of 2024. GOC provides a coordinated, comprehensive, interagency approach to (1) promoting the wellbeing of children and families through a network of supports, programs, and services that are family- and child-oriented and (2) reducing the number of children living in poverty. Led by a Special Secretary, GOC activities include staffing the Children's Cabinet; administering the Children's Cabinet Interagency Fund (CCIF); administering the Engaging Neighborhoods, Organizations, Unions, Governments, and Households (ENOUGH) program and fund; providing technical assistance to local management boards (LMB); improving community health and safety with its partners; and measuring results for child wellbeing.

Operating Budget Summary

Fiscal 2027 Budget Increases \$28.2 Million, or 43.6%, to \$92.9 Million
(\$ in Millions)



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.

For further information contact: Madelyn C. Miller

madelyn.miller@mga.maryland.gov

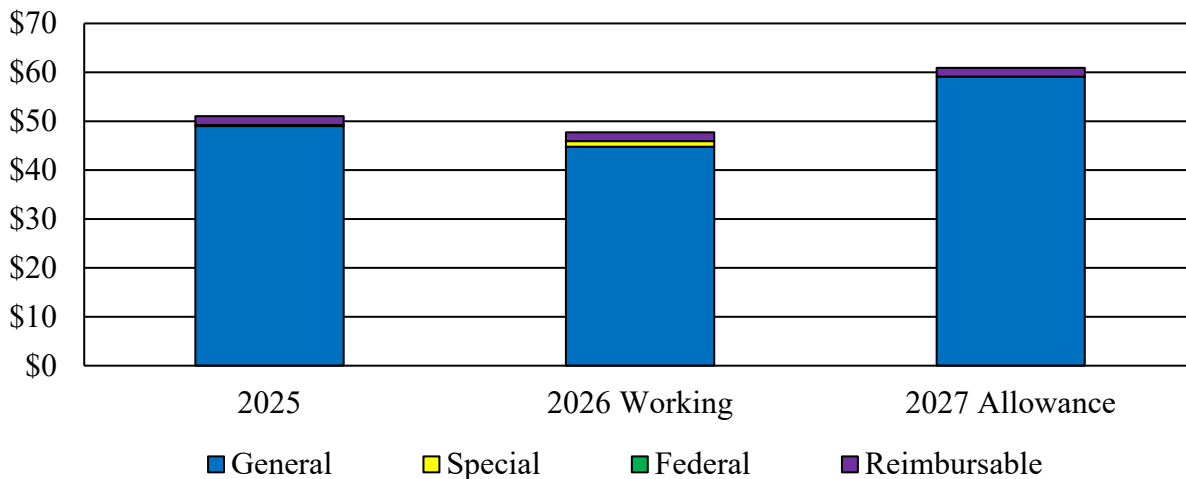
Analysis of the FY 2027 Maryland Executive Budget, 2026

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- The fiscal 2027 allowance includes approximately \$64.0 million (\$32.0 million in general funds paid into the ENOUGH Grant Fund and \$32.0 million in special fund expenditures from the fund) for ENOUGH grants and ENOUGH Capacity Building grants to LMBs. Accounting for both general funds and the special funds, double counting the general funds, spending for that program increases by \$28.9 million.

As shown in **Exhibit 1**, when excluding the ENOUGH Grant special fund expenditures that are backed by general fund support in GOC, the fiscal 2027 allowance increases by \$13.2 million (27.7%) to \$60.9 million, compared to the fiscal 2026 working appropriation of \$47.7 million. The working appropriation includes \$1.1 million in special funds from the fund’s balance.

Exhibit 1
Three-year Funding Trends, Excluding Double Counted
ENOUGH Grant Funds
Fiscal 2025-2027
(\$ in Millions)



ENOUGH: Engaging Neighborhoods, Organizations, Unions, Governments, and Households

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: Department of Budget and Management; Department of Legislative Services

Fiscal 2025

Fiscal 2025 was the first full year of operations for GOC in its current form and the first year of operation for the ENOUGH grant program. The fiscal 2025 budget provided

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\$15.0 million that could be used for ENOUGH grants and the development of a public, centralized database describing all State, local, and private resources available for children, youth, and families in the State. An additional \$5.0 million related to ENOUGH was also budgeted to support LMBs, which GOC used as LMB Capacity Building grants. GOC was able to retain any amount of this \$20.0 million in the ENOUGH special fund if it went unspent in fiscal 2025.

In December 2024, GOC awarded \$13.1 million to 27 grantees through the ENOUGH grant program, as shown in **Appendix 2**, along with actual expenditures in fiscal 2025. Awards were made through three tracks, with award periods from January 1, 2025, to September 30, 2025, for grantees in the implementation track or from January 1, 2025, to June 30, 2026, for grantees in the partnership development and plan development tracks. Fiscal 2025 and 2026 LMB Capacity Building grant awards totaling \$6.9 million are shown in **Appendix 3**. Of the amount awarded to ENOUGH grantees and for the ENOUGH Capacity Building grants to LMBs, approximately \$10.9 million (83.1%) and \$4.4 million (87.0%) was spent in fiscal 2025. Due to award periods not aligning with the State fiscal year, approximately \$2.2 million will be paid to first year grantees in fiscal 2026, primarily through the partnership development and plan development tracks. GOC reports that a budget amendment will be processed later in fiscal 2026 to increase its special fund authorization for the first year of awards. Approximately \$1.1 million in funding associated with the ENOUGH program was unallocated and was carried forward for use in fiscal 2026 through the special fund. This available balance, in addition to \$17.0 million provided for the second year of ENOUGH grant programs and LMB Capacity Building grants, provides a total of \$18.1 million in fiscal 2026. Additional information about the ENOUGH program in fiscal 2026 can be found in Key Observation 1.

Fiscal 2026

Status of Legislative Additions

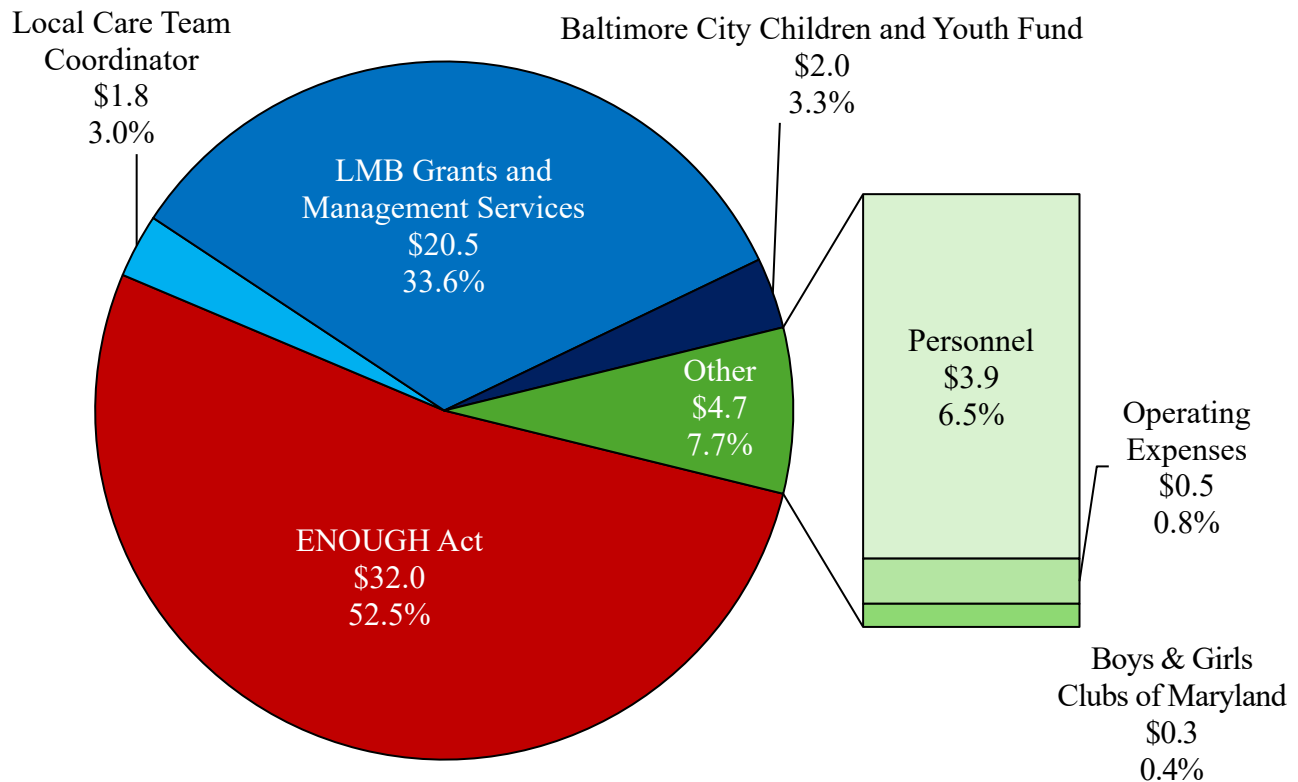
Section 21 of the fiscal 2026 Budget Bill added a total of \$1,080,000 in general funds to the agency to distribute two grants: (1) \$1.0 million for providing an operating grant to the Boys & Girls Clubs of Maryland to expand services; and (2) \$80,000 for the Boys & Girls Club of Southern Maryland. GOC reports that the grant to the Boys & Girls Clubs of Maryland is primarily being used to support salaries and program supplies for eight affiliates. The grant to the Boys & Girls Club of Southern Maryland is being used to support three youth development programs in Calvert and Charles counties.

Fiscal 2027 Overview of Agency Spending

The fiscal 2027 allowance for GOC totals \$92.9 million. Excluding funds that are double counted, the allowance includes \$60.9 million. As shown in **Exhibit 2**, the agency plans to spend up to \$32.0 million on ENOUGH grants and the ENOUGH LMB Capacity Building Grant (52.5%). Spending on CCIF grants and contracts, including funding for technical assistance and management services for LMBs, the Baltimore City Children and Youth Fund grant, and Local

Care Team (LCT) coordinators, will total approximately \$24.3 million (39.8%). LCTs are interagency councils that support families of children with intensive emotional and behavioral needs. Supported with reimbursable funds from the Department of Human Services (DHS), the Department of Juvenile Services (DJS), the Maryland Department of Health (MDH), and the Maryland State Department of Education (MSDE), GOC awards funds to LMBs to partially support the salaries of LCT coordinator positions. Personnel and all other expenses make up the remaining 7.7% of the allowance.

Exhibit 2
Overview of Agency Spending, Excluding Double Counted
ENOUGH Grant Funds
Fiscal 2027 Allowance
(\$ in Millions)



ENOUGH: Engaging Neighborhoods, Organizations, Unions, Governments, and Households
LMB: local management 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

As shown in **Exhibit 3**, the fiscal 2027 allowance increases by \$28.2 million (43.6%) compared to the fiscal 2026 working appropriation. General fund and special fund expenditure increases are largely driven by elements of the ENOUGH program, including planned grant awards. The fiscal 2027 allowance also reflects the removal of \$1,080,000 in grants added in § 21 of the fiscal 2026 Budget Bill.

Exhibit 3 Proposed Budget Governor’s Office for Children (\$ in Thousands)

How Much It Grows:	General Fund	Special Fund	Federal Fund	Reimb. Fund	Total
Fiscal 2025 Actual	\$48,997	\$18,878	\$250	\$1,798	\$69,923
Fiscal 2026 Working	44,803	18,122	0	1,800	64,724
Fiscal 2027 Allowance	59,132	32,000	0	1,800	92,932
Fiscal 2026-2027 \$ Change	\$14,329	\$13,878	\$0	\$0	\$28,207
Fiscal 2026-2027 % Change	32.0%	76.6%	N/A	0.00%	43.6%

Where It Goes:	Change
Personnel Expenses	
Turnover, primarily due to the rate decreasing from 9.26% to 2.43%	\$225
Employee and retiree health insurance	101
Salary increases and associated fringe benefits	101
Deferred compensation match due to a statewide change in budgeting	4
ENOUGH Initiative	
Programmatic expenditure increases from \$17.0 million to \$32.0 million	15,000
Special fund authorization increases from \$18.1 million to \$32.0 million	13,878
Other Changes	
Grant to the Boys & Girls Clubs of Maryland, as mandated by Chapter 242 of 2025	250
Statewide cost allocations	23
Travel	-23
Equipment costs related to new positions in fiscal 2026	-37
Consulting services	-233
One-time grants to Boys & Girls Club organizations provided in § 21 of the fiscal 2026 Budget Bill	-1,080

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Where It Goes:	<u>Change</u>
Other	-2
Total	\$28,207

ENOUGH: Engaging Neighborhoods, Organizations, Unions, Governments, and Households

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

Funding for LMBs

The fiscal 2027 allowance for GOC includes \$20.3 million in general funds for grants to LMBs, the same amount that is in the fiscal 2026 working appropriation, excluding any funding provided in fiscal 2026 or 2027 for ENOUGH LMB Capacity Building grants (up to \$2.0 million in each year). As shown in **Exhibit 4**, each LMB is expected to receive the same proportion of the total award in the allowance as in the previous fiscal year. GOC reports that some LMBs may opt not to participate in the LMB Capacity Building grant in all fiscal years, instead preferring the funding be available for other purposes related to ENOUGH grants.

Exhibit 4 **Local Management Board Funding Allocations, Excluding ENOUGH** **Capacity Building Grants** **Fiscal 2024-2027**

	<u>Actual</u> <u>2024</u>	<u>Actual</u> <u>2025</u>	<u>Working Approp.</u> <u>2026</u>	<u>Allowance</u> <u>2027</u>
Allegany	\$518,940	\$599,759	\$518,940	\$518,940
Anne Arundel	1,391,832	1,553,282	1,391,832	1,391,832
Baltimore City	3,275,466	3,436,781	3,275,466	3,275,466
Baltimore County	1,566,378	1,699,251	1,566,378	1,566,378
Calvert	400,383	534,438	400,383	400,383
Caroline	631,775	648,044	631,775	631,775
Carroll	575,348	681,644	575,348	575,348
Cecil	591,413	690,352	591,413	591,413
Charles	430,389	451,137	430,389	430,389
Dorchester	485,992	525,886	485,992	485,992
Frederick	441,353	565,660	441,353	441,353
Garrett	594,591	634,821	594,591	594,591
Harford	640,263	658,788	640,263	640,263
Howard	502,403	617,830	502,403	502,403
Kent	422,015	545,407	422,015	422,015

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	<u>Actual</u> <u>2024</u>	<u>Actual</u> <u>2025</u>	<u>Working Approp.</u> <u>2026</u>	<u>Allowance</u> <u>2027</u>
Montgomery	1,712,433	1,748,077	1,712,433	1,712,433
Prince George’s	1,933,586	2,016,805	1,933,586	1,933,586
Queen Anne’s	375,961	414,050	375,961	375,961
St. Mary’s	450,451	517,598	450,451	450,451
Somerset	323,784	380,080	323,784	323,784
Talbot	527,553	610,901	527,553	527,553
Washington	756,266	800,603	756,266	756,266
Wicomico	857,229	904,348	857,229	857,229
Worcester	874,531	885,946	874,531	874,531
Total	\$20,280,335	\$22,121,488	\$20,280,335	\$20,280,335

ENOUGH: Engaging Neighborhoods, Organizations, Unions, Governments, and Households

Note: Fiscal 2025 funding reflects \$750,000 in pandemic recovery grants provided through § 21 of the fiscal 2025 Budget Bill.

Source: Governor’s Office for Children

Baltimore City Children and Youth Fund

Chapter 25 of 2019 established a mandated appropriation to the Baltimore City Children and Youth Fund through Baltimore City’s LMB. The Governor was required to include an appropriation of at least \$3.5 million in each year for fiscal 2021 through 2024. Although no longer mandated, funding for this purpose was provided with the fiscal 2025 budget, and \$2.0 million for this purpose was provided in fiscal 2026. **As the funds are no longer mandated and in light of the State’s fiscal condition, the Department of Legislative Services (DLS) recommends deleting the \$2.0 million general fund appropriation for the Baltimore City Children and Youth Fund grant.**

Boys & Girls Clubs of Maryland

Chapter 242 of 2025 established a mandated appropriation to the Boys & Girls Clubs of Maryland. The Governor is required to include an appropriation of at least \$250,000 in each year for fiscal 2027 through 2030. The funding is to be used to support the organization’s operating expenses.

Personnel Data

	FY 25	FY 26	FY 27	FY 26-27
	<u>Actual</u>	<u>Working</u>	<u>Allowance</u>	<u>Change</u>
Regular Positions	16.00	25.00	25.00	0.00
Contractual FTEs	<u>2.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Personnel	18.00	25.00	25.00	0.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	0.61	2.43%
Positions and Percentage Vacant as of 12/31/2025	7.00	28.00%
Vacancies Above Turnover	6.39	

- GOC began fiscal 2026 with 27 authorized regular positions. As of August 2025, 9 of its positions were vacant. The Board of Public Works abolished 2 vacant GOC administrator positions in October 2025.
- As of December 31, 2025, 7 of GOC’s positions were vacant. GOC reports that it anticipates the start of 3 new employees in February 2026, and it will fill remaining open positions in the final quarter of the fiscal year. The agency reports that it has been filling vacant positions in phases in each quarter of fiscal 2026. In fiscal 2027, the budgeted turnover rate falls to 2.43%, reflecting the agency’s plan to be fully staffed.

Key Observations

1. ENOUGH Grant Program

As described in Chapter 408, the ENOUGH initiative is intended to provide a direct investment from the State to support communities that have experienced multigenerational poverty and its consequences. The qualifications to be an eligible neighborhood change over time to prioritize funding for the highest areas of need. Neighborhoods must include census tracts with more than 30% of children living in poverty and be served by, as defined by GOC, a community school with a concentration of poverty level of at least 80% in fiscal 2025 and 2026. Grants to communities support at least one of the initiative’s three pillars: (1) high-quality child care and education; (2) healthy and economically secure families; and (3) safe and thriving communities. Grant awards are competitive, but the program’s design is structured so that grantees are able to apply for additional funding as they advance in their capacity to implement a neighborhood action plan and provide a continuum of services in the community.

Year One

In the first year of the grant program, GOC awarded funding through three tracks, also referred to as pathways. Additional information about the grants awarded in the first year is provided in Appendix 2. The three pathways were:

- ***Partnership Development:*** Funding was used to support the grantee’s ability to lead as a “community quarterback” and coordinate with other partners.
- ***Plan Development:*** Grantees used funding to work with community partners, conduct needs assessments, and build neighborhood action plans.
- ***Implementation:*** This was for grantees who could immediately begin implementing programs and strategies described in GOC-approved action plans. Grantees were also responsible for progress monitoring and identifying additional funding streams.

Due to the grant term lengths for partnership and plan development tracks ending in June 2026, most grantees are still receiving funds from the first year of awards. Implementation track grantees, who received larger awards, had shorter funding terms that ended on September 30, 2025. Through the fiscal 2027 Managing for Results (MFR) submission, GOC reports that 100% of grantees demonstrated compliance with all program requirements in calendar 2025. The three implementation grantees began reporting quarterly progress measures in the second quarter of calendar 2025, and GOC reports that 74% of the programs the grantees started achieved early signs of success with fidelity in that year. Throughout calendar 2025, GOC delivered 21 group trainings to ENOUGH grantees but plans to hold fewer group trainings in calendar 2026, as additional one-on-one coaching was requested.

Fiscal 2025 Annual Report

Chapter 408 requires GOC, beginning with fiscal 2025, to annually prepare a report on the grant program that includes an accounting of financial receipts and expenditures and progress and outcome metrics as defined by the office. The report was published on January 26, 2026. GOC reported that grantees in the implementation pathway expended over 98% of the grant funds that they were awarded, and GOC anticipates that the partnership and plan development pathway grantees will similarly use the awarded funding by the end of the award period. Within the implementation communities, 81 programs were launched to address childhood poverty with efforts, including “food distribution, home repair assessments, rent assistance, in-home instruction for new parents, and financial literacy workshops.” These communities are also tracking a combined 244 progress measures so that long-term changes and improvements can be observed.

Additional Resources for ENOUGH Communities

As a coordinating agency, GOC is also able to work with additional partners and leverage other sources of available funding for ENOUGH communities. As reported in the agency’s MFR data, there were 23 State agency programs providing prioritization to ENOUGH communities in calendar 2025, and 56 grants totaling \$20.6 million from State agencies were awarded to ENOUGH communities during the same time period. In the fiscal 2025 annual report, GOC reports this figure as \$23 million. **GOC should clarify how much funding ENOUGH communities received in the program’s first year from other State agencies.**

ENOUGH Alliance

GOC works with nonprofit and private-sector partners to support funding efforts related to at least one of the three pillars. These partners are collectively referred to as the ENOUGH Alliance. As of the end of calendar 2025, the ENOUGH Alliance secured \$100 million in private funds which will be used statewide. Additionally, the ENOUGH Community Support Fund (ECSF) has secured \$6.6 million in committed funds. The ECSF provides philanthropic support to the ENOUGH grantees and organizations in ENOUGH-eligible communities. Supported through these philanthropic efforts, GOC reports that beginning in fiscal 2026, certain ENOUGH communities will be able to participate in federal funding accelerator training to take maximum advantage of resources from the federal government.

Year Two

In December 2025, GOC awarded 26 recipients a total of \$16.8 million in ENOUGH awards across four pathways, as shown in **Exhibit 5**. This was done through two notices of available funding so that some communities could apply for a continuation grant, and others could apply as new grantees. A fourth pathway referred to as “early implementation” was added for the second year of awards, recognizing the advancement that some continuation awardees were making in the first year. For new recipients of funding through this program along with those in the plan development and early implementation tracks, grants will be approximately 22 months in length, with some funding available in fiscal 2026, 2027, and the first quarter of fiscal 2028. Implementation awards are approximately 12 months in the second year. Of the 27 grantees who received funding in the first year, 3 did not receive funding in the second year. Of the grantees, 6 demonstrated enough progress to advance one or more tracks to receive early implementation awards, and 9 advanced to the plan development track. Six grantees remained within the plan development track, and 2 new grantees received partnership development grants.

Exhibit 5
Year Two ENOUGH Awards
Fiscal 2026-2027

<u>Track</u>	<u>Grantee</u>	<u>Jurisdiction</u>	<u>Year Two Award</u>
Partnership Development: 11/1/2025-9/30/2027			\$130,000
	Leader Breeders, Inc.	Baltimore City	65,000
	Good Intentions Foundation, Inc.	Prince George’s	65,000
Plan Development: 11/1/2025-9/30/2027			\$3,150,000
	City of Cumberland	Allegany	210,000
	Greater Mondawmin Coordinating Council	Baltimore City	210,000
	South Baltimore Community Land Trust	Baltimore City	210,000
	Tendea Family, Inc.	Baltimore City	210,000
	Urban Strategies, Inc.	Baltimore City	210,000
	Community Assistance Network, Inc.	Baltimore County	210,000
	Caroline Human Services Council, Inc.	Caroline	210,000
	LifeStyles of Maryland Foundation, Inc.	Charles	210,000
	Moving Dorchester Forward, Inc.	Dorchester	210,000
	Frederick Local Management Board	Frederick	210,000
	Boys & Girls Clubs of Harford and Cecil Counties	Harford	210,000
	Community Health and Empowerment through Education and Research	Montgomery	210,000
	Identity, Inc.	Montgomery	210,000
	CASA, Inc.	Prince George’s	210,000
	United Communities Against Poverty	Prince George’s	210,000
Early Implementation: 11/1/2025-9/30/2027			\$3,200,000
	Anne Arundel County Partnership for Children, Youth, and Families	Anne Arundel	800,000
	The Central Baltimore Partnership, Inc.	Baltimore City	400,000
	Child First Authority	Baltimore City	400,000
	Elev8 Baltimore, Inc.	Baltimore City	400,000
	The Y in Central Maryland	Baltimore City	400,000
	Latin American Youth Center	Prince George’s	800,000
Implementation: 10/1/2025 – 9/30/2026			\$10,359,352
	Cherry Hill Strong	Baltimore City	3,500,000
	Park Heights Renaissance, Inc.	Baltimore City	3,500,000
	San Mar Family & Community Services: Bester Community of Hope	Washington	3,359,352
Total			\$16,839,352

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GOC: Governor’s Office for Children

Note: Though the award period for partnership development, plan development, and early implementation grantees was estimated to begin in November 2025, GOC reports that grantees were notified of their awards in December 2025 and began to receive funding associated with this award cycle in January 2026.

Source: Governor’s Office for Children

Program Evaluation

Chapter 408 requires the submission of an evaluation of the ENOUGH program by June 1, 2027, to the Governor and multiple committees of the Maryland General Assembly. This report is required to include an analysis of the following: (1) the progress made in jurisdictions receiving ENOUGH grants based on the outcome metrics produced by the grant recipients; (2) the impact of program activities with respect to reducing the number of children living in poverty; and (3) policy changes enacted at the State and local level designed to enable better coordination and efficacy. Because this report is due before the end of fiscal 2027, it will largely be based on awards made in the first two funding cycles. GOC reports that contractual funding that is provided in the fiscal 2026 and 2027 budgets may be used to support the evaluation, but that such services have not yet been procured.

Year Three

As ENOUGH grantees continue to advance in their capacity and receive additional competitive awards, the awards also increase in size. Under the program’s current design, GOC reports that it plans to fund implementation communities for approximately four years, at which point GOC’s direct funding would sunset. This model is intended to reward compliance with program requirements and to build trust between various partners. GOC will enter fiscal 2027 with three grantees who received implementation awards in the first two years and six grantees receiving early implementation funding in the second year. Second year implementation grantees have award periods that end on September 30, 2026, and could therefore apply for another award during fiscal 2027. If there is no change to the amount of funding these three communities receive between the second and third year, \$10.5 million would be needed for continuation awards in fiscal 2027. This is approximately one-third of the funding provided in the allowance. In contrast, year two track development, plan development, and early implementation awardees have grant periods that end in September 2027. **GOC should discuss its use of 22-month awards and whether it intends to offer awards of this length in fiscal 2028 or future fiscal years. In this discussion, GOC should clarify if grantees receiving awards that end in September 2027 will be eligible to apply for additional funding before fiscal 2028.**

Beginning in fiscal 2027, additional communities will be eligible to participate in the ENOUGH program because the community school with a concentration of poverty level requirement relaxes from 80% poverty to at least 75%. For awards made in fiscal 2025 and 2026, 12 of Maryland’s jurisdictions had communities eligible for participation. GOC reports that it does not yet have the information that it needs to determine the number and location of additional

communities that will become eligible for participation as of July 1, 2026. However, GOC anticipates that additional communities will apply for the competitive awards in fiscal 2027 due to the expansion of eligibility. **GOC should comment on when it will determine which communities will be eligible to apply for funding in fiscal 2027 through 2029 and communicate this information to local governments.**

ENOUGH Grant Fund and Fiscal 2027 Funding

The ENOUGH grant fund was created by Chapter 408 and may only be used to distribute grants through the ENOUGH program. The fiscal 2026 working appropriation includes up to \$17.0 million in general funds paid into the special fund and \$18.1 million in special fund expenditures for ENOUGH grantees, including LMBs receiving the ENOUGH LMB Capacity Building grant. Given that the agency has committed approximately \$16.8 million in spending for its second year of awards and approximately \$1.9 million for the fiscal 2026 grant to LMBs, there is unlikely to be a significant unallocated balance to access in fiscal 2027 or future fiscal years. Though Chapter 408 established a mandate for the Governor to pay at least \$15.0 million into the fund in fiscal 2026, no such requirement exists for fiscal 2027.

The allowance grows by approximately \$15.0 million in general funds for spending on the ENOUGH grants with the maximum special fund authorization increasing by \$13.9 million to \$32.0 million.

In light of the State’s current fiscal condition, DLS recommends reducing the general fund appropriation for the ENOUGH Grant Fund account by \$15 million and the special fund authorization by a corresponding amount to level fund the program at the fiscal 2026 general fund appropriation. GOC may choose how it allocates the remaining funding between its ENOUGH grant program and the ENOUGH LMB Capacity Building Grant.

2. GOC Reports MFR Data for the First Time as a Reestablished Agency

While still in its first full year of operations, GOC did not report MFR information with the fiscal 2026 budget. Committee narrative in the 2025 *Joint Chairmen’s Report* (JCR) requested that the agency’s proposed goals, objectives, and measures for its MFR submission for fiscal 2027 be shared by December 1, 2025. The agency submitted a report that fulfilled the request on December 2, 2025, and provided related data with the fiscal 2027 budget. **Exhibit 6** shows GOC’s mission and select performance measures related to two of its three key goals. Measures specific to the ENOUGH program and the first key goal of the agency – to “advance Maryland’s commitment to supporting high-poverty communities through the ENOUGH initiative” – are described in Key Observation 1. GOC’s second and third key goals are to “improve State agency and intergovernmental coordination to support efforts to reduce child poverty and improve economic mobility” and “improve the well-being of Maryland’s children, youth, and families through the [CCIF.]” In addition to the measures detailed in the exhibit, GOC reported in the MFR

submission nine “policies and programs that [were] developed and/or implemented that work to support and uplift Maryland’s young men and boys” in fiscal 2025.

Exhibit 6
GOC’s Mission and Select Performance Measures
Calendar 2025

Mission: GOC serves as a central coordinating office to support the wellbeing of children and families and reduce the number of children living in poverty, which requires a holistic, coordinated approach within State government and across public and private sectors at the federal, state, and local levels.

Goal 2

Cross-agency collaborations supported through the Children’s Cabinet	97
Children’s Cabinet policy initiatives that move from policy development to implementation	9
Schools participating in the Community Schools Delivery Program	26
Policies and programs that are developed and/or implemented that work to improve awareness of, access to, and use of public benefits and economic assistance	12
Policies and programs that are developed and/or implemented that work to close measures underlying Maryland’s racial wealth gap, including strengthening community wealth, promoting asset accumulation, building savings, and reducing debt	35

Goal 3

CCIF-funded programs demonstrating improvements in outcomes for children and youth	84%
CCIF grant funds returned after their award period	13%
Braided funding leveraged in support of CCIF-funded programs	20%

CCIF: Children’s Cabinet Interagency Fund

GOC: Governor’s Office for Children

Note: GOC defines braided funding as funding used by local management boards with revenues not from the CCIF.

Source: Fiscal 2027 Managing for Results

Though a stated part of the agency’s mission is to reduce childhood poverty, the MFR data does not attempt to quantify the amount of childhood poverty in the State or provide the information as a complement to the other performance measures. On its website, the agency states that there are “roughly 150,000” children living in poverty in the State.

One of the ways through which GOC works to improve State agency and intergovernmental coordination is through its leadership in the Community School Delivery

Program. This program involves eight other State agencies – the Department of Housing and Community Development, DHS, DJS, the Department of Service and Civic Innovation, MDH, the Maryland Department of Labor, the Maryland Department of Transportation, and the Maryland Higher Education Commission – and 10 local education agencies. In calendar 2025, 26 schools participated. **GOC should comment on its involvement with the Community School Delivery program, including planned activities in fiscal 2026 and 2027.**

3. Youth Out-of-home Placements

Language in the fiscal 2026 Budget Bill restricted funds within DHS, DJS, MDH, and MSDE, pending GOC’s submission of the out-of-home placements (OOHP) report by January 1, 2026. Related data is also available via a dashboard on GOC’s website. Additional discussion of this report can be found in the budget analysis for N00B – DHS – Social Services Administration. The four primary agencies that oversee the welfare of children placed out of the home are:

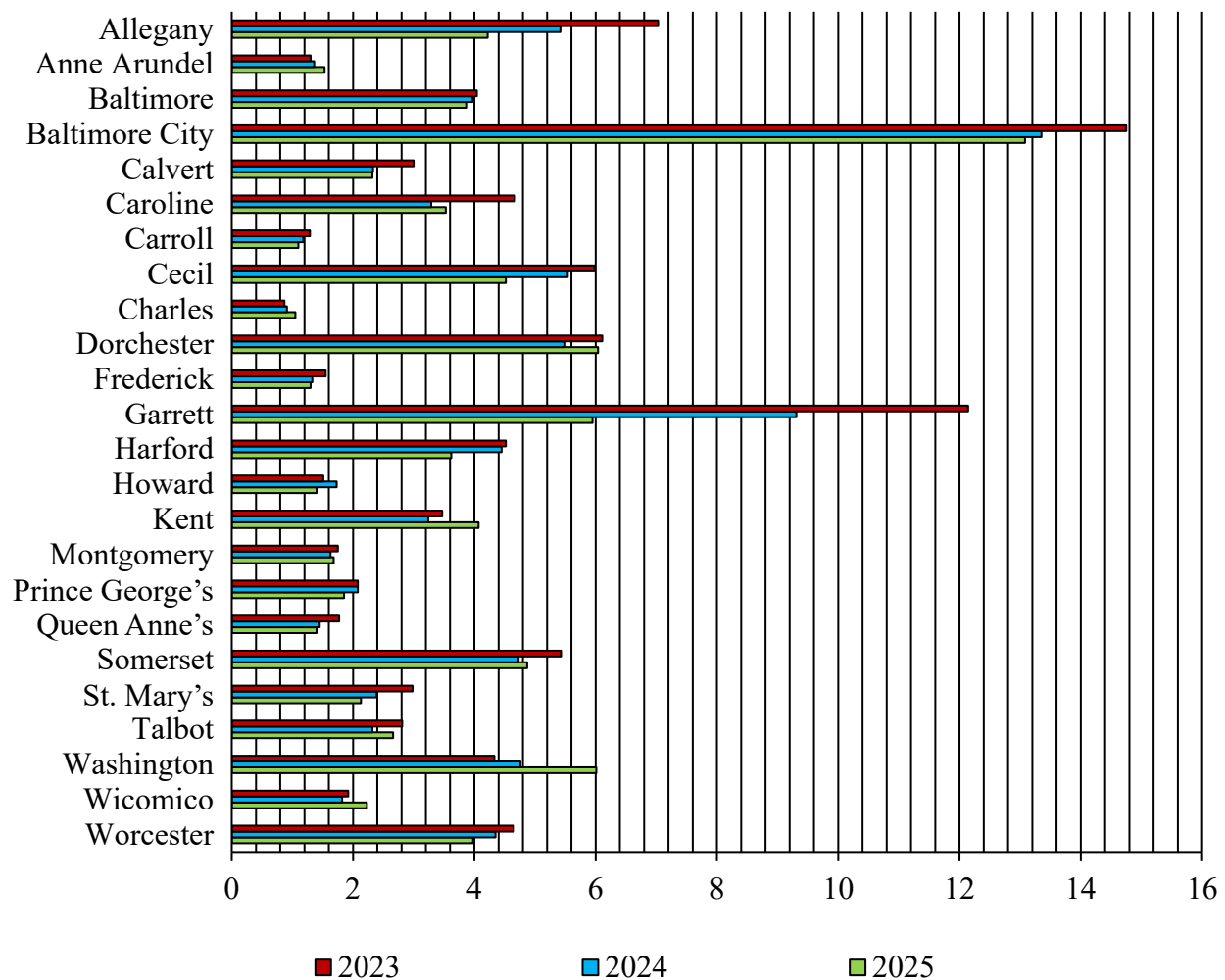
- **DHS:** in fiscal 2025, approximately 90% of OOHP children were placed by DHS, which oversees programs pertaining to abuse, neglect, and maltreatment;
- **DJS:** the second largest youth-placing agency, DJS treats youth who are involved in Maryland’s juvenile justice system;
- **MDH – Developmental Disabilities Administration (DDA) and Behavioral Health Administration (BHA):** though not a youth-placing agency, DDA funds placements for youth who meet eligibility criteria for developmental disability group homes. BHA is also not a youth-placing agency but funds placements in Residential Treatment Centers through Medicaid; and
- **MSDE:** MSDE is not a youth-placing agency, but it oversees the Nonpublic Tuition Assistance Program for nonpublic special education and implements Maryland’s Medicaid Home and Community-based Services Waiver for Children with Autism Spectrum Disorder Program.

In addition to working together to produce the OOHP report, GOC works with DHS, DJS, MDH, and MSDE as members in the Children’s Cabinet. Information about the Children’s Cabinet’s activities in calendar 2025 and the newest Children’s Cabinet’s three-year strategic plan can be found in the Updates section of this analysis.

Youth Placement Data

Across all agencies, in fiscal 2025, 5,723 youth experienced at least 1 OOHP, which is essentially level compared with fiscal 2024 (5,730). Despite a similar number of youth, collectively, those youth experienced 13,562 placements in fiscal 2025 compared with 12,918 in fiscal 2024, a 5% increase. **Exhibit 7** details OOHP per 1,000 youth by jurisdiction. Most (14) jurisdictions had fewer or the same OOHPs per 1,000 youth in fiscal 2025 than in fiscal 2023 and 2024. Four counties – Anne Arundel, Charles, Kent, and Washington – had an increase in the rate in both fiscal 2024 and 2025 over the prior year.

Exhibit 7
Out-of-home Placements Per 1,000 Youth by Jurisdiction
Fiscal 2023-2025

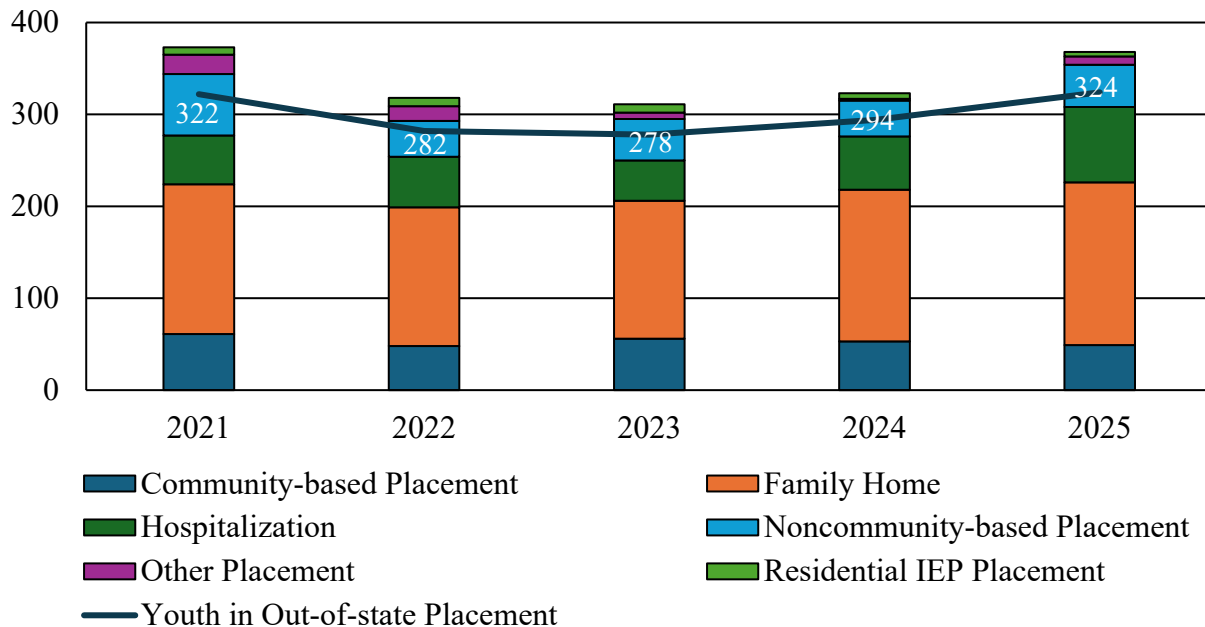


Source: Fiscal 2025 Out-of-home Placement Report

The State makes efforts whenever possible to place youth in a setting that is as close to their home as possible in order to minimize the trauma associated with their placement and the burden of travel for the family. Out-of-state placements may also be more expensive, with an average daily single bed cost of \$513 in fiscal 2025. The average daily bed cost for an in-state placement was \$460 during the same period. Of the 13,562 placements statewide in fiscal 2025, 49.8% of placements kept the youth in the county of origin, an additional 46.2% of placements were made out of county, and 4.0% of placements were out-of-state (324 individual youth). Most placements were to a family home (8,800) whether located in State or out-of-state.

Exhibit 8 shows the number of youths in an out-of-state placement in each fiscal year from fiscal 2021 to 2025 and each type of placement. Some youth may have multiple placements in a year. The population of youths placed out-of-state increased by 11.0% between fiscal 2024 and 2025 and is 16.5% higher than in fiscal 2023, when 278 youths were placed out-of-state. Of the 324 youth in an out-of-state placement in fiscal 2025, most were placed in family homes (54.6%), were hospitalized out of State (25.3%), or were in community-based placements (15.1%). Compared to prior years, a larger percentage of children were placed in an out-of-state hospital in fiscal 2025 compared with fiscal 2024 (19.7% increase, or 58 youths) and fiscal 2023 (15.8% increase, or 44 youths).

Exhibit 8
Youth with Out-of-state Placements
Fiscal 2021-2025



IEP: Individualized Education Program

Source: Fiscal 2025 Out-of-home Placements Report

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Washington, D.C. (70 youth), Pennsylvania (46), Delaware (32), Florida (31), and Virginia (30) were the states with the highest number of Maryland’s out-of-state placements, collectively comprising 64.5% of out-of-state placements. Youth are often placed out of State to enroll in programs that better fit a youth’s particular service needs. In some instances, programs in the aforementioned states are actually closer to the youth’s home than an in-state option and therefore may be better for the youth’s wellbeing and family participation.

GOC, DHS, DJS, DDA, and MSDE have substantively fulfilled the requirements set forth by the fiscal 2026 budget language. **DLS therefore recommends that \$100,000 in withheld general funds for each of DHS, DJS, DDA, and MSDE be released and will process a letter to this effect if no objections are raised by the committees during the hearings.**

DLS finds that the OOHP report is a useful evaluative tool to assess the wellbeing of Maryland’s youth and families and to identify areas of concern related to youth placed out of home. The report may additionally provide additional insights into recent OOHP trends and demonstrate coordination with goals set by the Children’s Cabinet. **DLS recommends adding a section to the budget bill restricting funds in each of the data contributing agencies pending the submission of the 2026 OOHP report.**

Operating Budget Recommended Actions

	<u>Amount Change</u>	
1.	Delete the general fund appropriation for the Baltimore City Children and Youth Fund grant due to the mandate’s expiration.	-\$2,000,000 GF
2.	Reduce the general fund appropriation for the Engaging Neighborhoods, Organizations, Unions, Governments, and Households Grant Fund and the special fund appropriation to align with the general fund appropriation. This reduction may be allocated between the D18A01.01 Governor’s Office for Children program and the D18A01.03 The Children’s Cabinet Interagency Fund program.	-\$15,000,000 GF -\$15,000,000 SF
3.	<p><u>SECTION XX. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for the Department of Human Services Social Services Administration, \$100,000 of the general fund appropriation for the Department of Juvenile Services, \$100,000 of the general fund appropriation for the Maryland Department of Health Developmental Disabilities Administration, and \$100,000 of the general fund appropriation for the Maryland State Department of Education may not be expended until the Governor’s Office for Children (GOC) submits a report on behalf of the Children’s Cabinet to the budget committees on out-of-home placements (OOHP) containing:</u></p> <p>(1) <u>the total number and one-day counts (as of October 15) of OOHPs and entries by jurisdiction, by agency, and by placement type for fiscal 2024, 2025, and 2026;</u></p> <p>(2) <u>the total number and one-day counts (as of October 15) of out-of-state placements, including the number of family home, community-based, and noncommunity-based out-of-state placements for fiscal 2024, 2025, and 2026 categorized by state and by age category;</u></p> <p>(3) <u>the costs associated with OOHPs;</u></p> <p>(4) <u>an examination of recent placement trends;</u></p> <p>(5) <u>findings of child abuse and neglect occurring while families are receiving family preservation services or within one year of each case closure; and</u></p>	

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- (6) areas of concern related to trends in OOHPs and/or out-of-state placements and potential corrective actions that the Children’s Cabinet and local management boards can take to address these concerns.

Further provided that each agency or administration that funds or places children and youth in OOHPs shall assist GOC and comply with any data requests necessary for the timely production of the report. The report shall be submitted to the budget committees by January 1, 2027, and the budget committees shall have 45 days from the date of the receipt of the report to review and comment. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise for any other purpose. Should the report not be submitted by the requested date, the restricted funds shall revert to the General Fund.

Explanation: The OOHP report is a report required by § 8-703(e) of the Human Services Article. It is also annually requested to be submitted to the budget committees. This report is a useful evaluative tool to assess the wellbeing of Maryland’s youth and families and to identify areas of concern related to youth placed out of home. This language restricts funds in each of the data reporting agencies and specifies the data of interest to the General Assembly, including agency-specific data for out-of-home and out-of-state placements.

Information Request	Author	Due Date	
OOHPs report	Department of Human Services Department of Juvenile Services GOC Maryland Department of Health Maryland State Department of Education	January 1, 2027	
Total Net Change to Fiscal 2027 Allowance		-\$32,000,000	0.0

Updates

- ***Report on Neighborhood Indicators of Poverty:*** Chapter 408 required GOC to submit a report that includes an evaluation of American Community Survey data to provide school district poverty estimates, an evaluation of the area deprivation index, and an analysis of how other states approach measuring poverty. The report was due on October 1, 2025, and GOC submitted the report on October 24, 2025. To produce the report, GOC partnered with Education Resource Strategies to produce an analysis of different methodologies for determining student eligibility and calculating the Compensatory Education Program and the Concentration of Poverty School Grant. Of the methodologies that the study tested, all resulted in lower student poverty counts statewide, thus decreasing the total cost of poverty-based funding to the State. The report’s findings were discussed at the November 20, 2025 Accountability and Implementation Board meeting.
- ***Children’s Cabinet Child Poverty and Economic Mobility Three-Year Strategic Plan:*** Chapter 408 also required GOC to submit the State’s three-year plan for children, youth, and families to the General Assembly on or before December 1, 2025. The report describes the cabinet’s objectives related to high-quality child care and education; nurturing healthy and economically secure families; creating safe and thriving communities; cross-cutting issues for cabinet partners; cross-cutting strategies for cabinet partners; and critical partnerships through the ENOUGH Alliance, the Governor’s Innovation Team, and the Maryland Department of Planning.
- ***Children’s Cabinet Annual Report:*** Between December 2024 and November 2025, the Children’s Cabinet met in person six times and once virtually. Cabinet members identified and implemented policies and strategies related to community schools, benefits access, the racial wealth gap, and uplifting all of Maryland’s young people, with a focus on young men and boys. Staff working groups included the following: High Quality Childcare and Education; Access to Benefits; State Coordinating Council/Working Group for Children with Complex Needs; and ENOUGH All of Government.

Appendix 1
2025 Joint Chairmen’s Report Responses from Agency

The 2025 JCR requested that GOC prepare two reports. Electronic copies of the full JCR responses can be found on the DLS Library website.

- ***Status Report on MFR Measures:*** GOC did not submit MFR goals, objectives, or measures with its fiscal 2026 budget. Committee narrative in the 2025 JCR requested that proposed goals, objectives, and measures be shared by December 1, 2025. The agency submitted a report that included the requested information on December 2, 2025. Further discussion of this data can be found in Key Observation 2 of this analysis.
- ***OOHPs Report:*** Language in the fiscal 2026 Budget Bill required GOC to submit a report detailing the number of OOHPs and entries by jurisdiction, agency, and placement type for fiscal 2023, 2024, and 2025. GOC submitted this report on January 5, 2026. Further discussion of this data can be found in Key Observation 3 of this analysis.

Appendix 2
Year One ENOUGH Awards and Actual Spending, as of July 1, 2025
Fiscal 2025-2026

<u>Track</u>	<u>Grantee</u>	<u>Jurisdiction</u>	<u>Year One Award</u>	<u>Fiscal 2025 Actual</u>	<u>Funds Remaining for Fiscal 2026</u>
Partnership Development: 1/1/2025 – 6/30/2026			\$780,000	\$476,082	\$303,918
	City of Cumberland	Allegany	65,000	29,729	35,271
	One Annapolis, Inc.	Anne Arundel	65,000	5,983	59,017
	Greater Mondawmin Coordinating Council	Baltimore City	65,000	55,869	9,131
	Tendea Family Inc.	Baltimore City	65,000	65,000	0
	Urban Strategies Inc.	Baltimore City	65,000	35,058	29,942
	We Our Us	Baltimore City	65,000	22,106	42,894
	Community Assistance Network, Inc.	Baltimore County	65,000	27,760	37,240
	Caroline Human Services Council, Inc.	Caroline	65,000	33,739	31,261
	LifeStyles of Maryland Foundation, Inc.	Charles	65,000	65,000	0
	Boys & Girls Clubs of Harford and Cecil Counties	Harford	65,000	65,000	0
	CASA, Inc.	Prince George’s	65,000	65,000	0
	Prince George’s County Department of Social Services	Prince George’s	65,000	5,838	59,162
Plan Development: 1/1/2025 – 6/30/2026			\$3,600,000	\$1,814,043	\$1,785,957
	Anne Arundel County Partnership for Children, Youth, and Families	Anne Arundel	300,000	136,046	163,954
	The Central Baltimore Partnership, Inc.	Baltimore City	300,000	173,645	126,355
	Child First Authority	Baltimore City	300,000	233,318	66,682
	Elev8 Baltimore, Inc.	Baltimore City	300,000	285,334	14,666
	South Baltimore Community Land Trust	Baltimore City	300,000	91,347	208,653
	The Y in Central Maryland	Baltimore City	300,000	288,857	11,143
	Moving Dorchester Forward, Inc.	Dorchester	300,000	36,627	263,373

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<u>Track</u>	<u>Grantee</u>	<u>Jurisdiction</u>	<u>Year One Award</u>	<u>Fiscal 2025 Actual</u>	<u>Funds Remaining for Fiscal 2026</u>
	Frederick Local Management Board	Frederick	300,000	88,698	211,302
	Community Health and Empowerment through Education and Research	Montgomery	300,000	187,626	112,374
	Identity, Inc.	Montgomery	300,000	30,847	269,153
	Latin American Youth Center	Prince George’s	300,000	137,114	162,886
	United Communities Against Poverty	Prince George’s	300,000	124,584	175,416
Implementation: 1/1/2025-9/30/2025			\$8,739,900	\$8,616,110	\$123,790
	Cherry Hill Strong	Baltimore City	2,980,900	2,980,900	0
	Park Heights Renaissance, Inc.	Baltimore City	2,731,300	2,731,292	8
	San Mar Family & Community Services: Bester Community of Hope	Washington	3,027,700	2,903,918	123,782
Total			\$13,119,900	\$10,906,235	\$2,213,665

ENOUGH: Engaging Neighborhoods, Organizations, Unions, Governments, and Households

Source: Governor’s Office for Children; Department of Legislative Services

Appendix 3
Local Management Board Capacity Grant Awards
Fiscal 2025-2026

	<u>2025 Award</u>	<u>2025 Actual</u>	<u>2026 Award</u>
Allegany	\$128,000	\$118,886	\$51,177
Anne Arundel	343,000	343,000	137,259
Baltimore City	807,500	551,339	323,019
Baltimore County	386,000	324,122	154,473
Calvert	98,500	58,243	39,485
Caroline	156,000	139,179	62,304
Carroll	142,000	140,416	56,739
Cecil	146,000	146,000	58,324
Charles	106,000	98,888	42,444
Dorchester	120,000	120,000	47,927
Frederick	109,000	95,967	43,525
Garrett	146,500	131,798	58,637
Harford	158,000	158,000	63,141
Howard	124,000	124,000	49,546
Kent	104,000	104,000	41,618
Montgomery	422,000	381,559	168,876
Prince George’s	476,500	431,835	190,686
Queen Anne’s	92,500	88,957	37,076
St. Mary’s	111,000	111,000	44,422
Somerset	80,000	72,170	31,931
Talbot	130,000	129,989	52,026
Washington	186,500	95,655	74,581
Wicomico	211,500	181,155	0
Worcester	215,500	206,021	86,244
Total	\$5,000,000	\$4,352,178	\$1,915,460

Note: Numbers may not sum due to rounding. Wicomico County’s local management board chose not to receive the award in fiscal 2026.

Source: Governor’s Office for Children

Appendix 4 **Object/Fund Difference Report** **Governor's Office for Children**

<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	16.00	25.00	25.00	0.00	0.0%
02 Contractual	2.00	0.00	0.00	0.00	N/A
Total Positions	18.00	25.00	25.00	0.00	0.0%
Objects					
01 Salaries, Wages, and Fringe Benefits	\$2,156,891	\$3,503,164	\$3,934,003	\$430,839	12.3%
02 Technical and Special Fees	118,621	0	0	0	N/A
03 Communications	8,180	18,000	18,000	0	0.0%
04 Travel	12,205	43,469	20,000	-23,469	-54.0%
08 Contractual Services	5,888,803	813,521	594,103	-219,418	-27.0%
09 Supplies and Materials	16,882	20,000	23,000	3,000	15.0%
10 Equipment – Replacement	0	5,000	0	-5,000	-100.0%
11 Equipment – Additional	33,382	38,300	6,500	-31,800	-83.0%
12 Grants, Subsidies, and Contributions	61,687,795	60,281,878	88,330,335	28,048,457	46.5%
13 Fixed Charges	316	1,000	5,664	4,664	466.4%
Total Objects	\$69,923,075	\$64,724,332	\$92,931,605	\$28,207,273	43.6%
Funds					
01 General Funds	\$48,997,043	\$44,802,789	\$59,131,605	\$14,328,816	32.0%
03 Special Funds	18,878,457	18,121,543	32,000,000	13,878,457	76.6%
05 Federal Funds	250,000	0	0	0	N/A
09 Reimbursable Funds	1,797,575	1,800,000	1,800,000	0	0.0%
Total Funds	\$69,923,075	\$64,724,332	\$92,931,605	\$28,207,273	43.6%

Note: The fiscal 2027 allowance does not include salary adjustments budgeted within the Department of Budget and Management.