

November 1, 2017

The Honorable Thomas M. Middleton  
Chairman, Senate Finance Committee  
Miller Senate Office Building  
3 East Wing, 11 Bladen Street  
Annapolis, MD 21401-1991

The Honorable Maggie McIntosh  
Chairman, House Appropriations Committee  
House Office Building, Room 121  
6 Bladen Street  
Annapolis, MD 21401-1991

**Re: Annual Local Government Hiring Plan Report - MSAR #7666**

Dear Chairman Middleton and Madam Chair McIntosh:

The Department of Human Services (DHS) is required to submit a report to the Chairmen of the Senate Finance Committee and the House Appropriations Committee on the Annual Local Government Hiring Plan in accordance with the provisions of Human Services Articles § 5-304(c)(4). In accordance with this reporting requirement, DHS is pleased to provide you with the enclosed report.

As always, if there are any questions or if additional information is needed, please contact Nicholette Smith-Bligen, Executive Director for the Family Investment Administration at 410-767-7338.

Sincerely,



Lourdes R. Padilla  
Secretary



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## **ANNUAL FAMILY INVESTMENT PROGRAM HIRING AGREEMENT REPORT**

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MARYLAND DEPARTMENT OF HUMAN SERVICES

*Completed pursuant to MSAR #7666 Human Services Article §5-304 (c)(4) and MSAR #7667 State Finance & Procurement Article § 13-224(d)*

November 1, 2017

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## REPORT REQUIREMENTS

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This report is hereby submitted in response to the following reporting requirements:

*On or before November 1 of each year and in consultation with the Maryland Association of Counties, the Secretary [of the Department of Human Services] shall report, subject to § 2-1246 of the State Government Article, to the Senate Finance Committee and the House Appropriations Committee of the General Assembly, on:*

- (i) the development of the local government hiring plan; and*
- (ii) the number of current and former recipients, children of current or former recipients, foster youth, and obligors hired and retained by local governments.*

*Source: Human Services Article §5-304 (c)(4)*

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*Each year, the Department [of Human Services] and any local departments that have entered into hiring agreements shall submit a report to the Board [of Public Works], the Joint Committee on Welfare Reform, and, subject to § 2-1246 of the State Government Article, the General Assembly on:*

- (1) the number of hiring agreements executed;*
- (2) the number of current and former FIP recipients, children of current or former recipients, foster youth, and obligors hired by an entity with which a hiring agreement was executed; and*
- (3) the effectiveness of each hiring agreement in obtaining employment for current and former FIP recipients, children of current or former recipients, foster youth, and obligors.*

*Source: State Finance & Procurement Article § 13-224(d)*

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## BACKGROUND

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A hiring agreement – a companion to a State procurement contract – is an agreement between a contractor and the Department of Human Services (DHS) through which the parties agree to cooperatively identify and hire former and current Family Investment Program recipients to fill job openings on the contractor’s State procurement project.

The hiring agreement statute, enacted into law in 1998, originally required the Board of Public Works to “designate the types of procurement contracts that are eligible contracts” (eligible for hiring agreements). The Board subsequently approved an Action Agenda Item directing the Departments of Budget & Management, General Services, and Transportation and the University System of Maryland to select eligible contracts for hiring agreements. The Board also required DHS to submit an annual report.

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## **TARGET POPULATION**

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To encourage the use of hiring agreements as a mechanism for providing current and former Family Investment Program recipients with employment opportunities on State procurement contracts, the target population includes:

- TANF – Temporary Assistance for Needy families – Federal
- TCA – Temporary Cash Assistance – Maryland
- Current TCA recipients
- Children of Current TCA recipients (14 and older)
- Former TCA recipients (less than or equal to 5 years)
- Children of Former TCA recipients (less than or equal to 5 years)
- Foster Care Youth (18-25 years old)
- Child Support Obligors

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## **PARTNERSHIPS**

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Based on the needs of the target population, the Department has leveraged partnerships, with the following organizations/agencies:

- Department of Budget and Management (DBM)
- Department of General Services (DGS)
- Maryland Department of Transportation (MDOT)
- Maryland’s Department of Information Technology (DoIT)

In addition to the State Contractors who support the Hiring Agreement Program, DHS is also supported by local governments through an agreement with the Maryland Association of Counties (MACo).

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## **PROGRAM DEVELOPMENT**

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An organizational assessment to develop the local hiring plans was conducted, reviewed and approved by the state according to best practices. DHS met with DBM and the Jacob France Institute to establish methods and strategies to best engage and retain employment for our target population. This successful collaboration resulted in the development of an updated improved local government hiring plan, with the following key improvements include:

- A successful petition to extend the time frame within which the target population must apply for a job from three business days to five business days. The extension allows more qualified applicants to take advantage of employment opportunities.
- A request for the contractors to include Federal Employment Identification Number (FEIN) to improve employment matches for reporting, as reflected in the new Hiring Agreement language, supported by the DBM Procurement Office.
- The Hiring Agreement was revised to support efficiency and a streamlined processing.

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## OUTREACH

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DHS continued with its aggressive outreach strategy to engage and increase communication and collaboration with our largest contractors and State procurement offices. As a result of these efforts, the State Hiring Agreement Office received more accurate information regarding open positions, including required job specifications and employment outcome data.

All Local Departments of Social Services (LDSS) have designated liaisons within their foster care, non-custodial parent, and TANF programs to partner with State procurement offices. The partnerships are a key strategy for information dissemination to the targeted population. The collaboration with our LDSSs and State procurement offices create an opportunity for improved outreach, engagement, and participation.

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### REPORT CYCLE (April 2016 – March 2017)

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DHS maintained and processed 282 hiring agreement contracts held by 176 contractors. These contracts resulted in 1,002 total job placements as shown in Table 2. DHS has examined the retention rate, defined as individuals still employed in a subsequent quarter after initial job placement, for those placed through hiring agreements. The retention data, provided by the Jacob France Institute at the University of Baltimore, indicated that 66 percent retained employment in the subsequent quarter for the current reporting period as shown in Table 4.

The top five business partners with the most job placements for the current reporting period were Goodwill Industries (183 placements), Broadway Services Incorporated (178 placements), Maxim Healthcare Service Incorporated (78 placements), The ARC of Baltimore/Northern Chesapeake combined (60 placements), and Building Families for Children (54 placements).

The following tables contain job placement data for our target population of:

1. Current TCA Recipients;
2. Former TCA Recipients;
3. Children of Current TCA Recipients age 14 and older;
4. Children of Former TCA Recipients age 14 and older;
5. Foster Care Youth Data 18-25 years of age; and
6. Child Support Obligors.

**Table 1 – Local Government Job Placements by Target Group (MSAR #7666)**

*Report Cycle: April 2016 through March 2017*

<b>Group</b>	<b>Total Job Placements</b>	<b># of Placements Reporting Earnings in Subsequent Quarter</b>	<b>% Retained in 1st Quarter</b>
Current TCA recipients	459	210	46%
Former TCA recipients	960	691	72%
Children of Current TCA recipients	42	11	26%
Children of Former TCA recipients	533	159	30%
Foster Care Youth 18-25	54	16	30%
Child Support Obligors	14	11	79%
<b>Total</b>	2,062	1,098	53%

Our local government Job Placement agreement successfully hired 2,062 current TCA recipients, former TCA recipients, children of current TCA recipients, children of former TCA recipients, foster care youth and child support obligors between April 2016 - March 2017. The two highest retention groups were child support obligors (79%) and former TCA recipients (72%). The overall retention rate is 53%.

**Table 2 – State Contractor Job Placements Hired by Target Group (MSAR #7667)**

*Report Cycle: April 2016 through March 2017*

<b>Group</b>	<b># Placed</b>
Current TCA recipients	237
Former TCA recipients	666
Children of current TCA recipients age 14 and older	5
Children of Former TCA recipients age 14 and older	73
Foster Care Youth 18-25 years of age	12
Child Support Obligors	9
<b>Total Hired</b>	<b>1,002</b>

Our state contractors Job Placement agreement successfully hired 1,002 current TCA recipients, former TCA recipients, children of current TCA recipients, children of former TCA recipients, foster care youth and child support obligors between April 2016 - March 2017.

**Table 3 – State Agencies Job Placements by Target Group (MSAR #7667)**

*Report Cycle: April 2016 through March 2017*

<b>Group</b>	<b>Total Job Placements</b>	<b># of Placements Reporting Earnings in Subsequent Quarter</b>	<b>% Retained in 1st Quarter</b>
Current TCA recipients	143	84	59%
Former TCA recipients	395	355	90%
Children of Current TCA recipients	31	19	61%
Children of Former TCA recipients	172	58	34%
Foster Care Youth 18-25	14	10	71%
Child Support Obligors	2	1	50%
<b>Total</b>	<b>757</b>	<b>527</b>	<b>70%</b>



Our state agencies Job Placement agreement successfully hired 757 current TCA recipients, former TCA recipients, children of current TCA recipients, children of former TCA recipients, foster care youth and child support obligors between April 2016- March 2017. The two highest retention groups were former TCA recipients (90%) and foster care youth (71%). The overall retention rate is 70%.

**Table 4 - 1st Quarter Retention of Target Group Placements (MSAR #7667)**  
*April 2016 through March 2017*

<b>Group</b>	<b>Total Hired</b>	<b>Total Retained in Subsequent Quarter</b>	<b>Total % Retained in 1st Quarter</b>
State Contractors	1,002	664	66%
Local Government	2,062	1,098	53%
State Agencies	757	527	70%
<b>Total</b>	3,821	2,289	60%

Our hiring agreement plans are categorized as state contractors, local government, or state agencies. During the period of April 2016 through March 2017, our hiring agreement plans secured placements for 3,821 individuals in our target population. State agencies held the highest retention rate (70%).The overall retention rate is 60%.