

November 1, 2018

The Honorable Thomas V. Mike Miller, Jr.  
President of Senate  
State House, H-107  
100 State Circle  
Annapolis, MD 21401

The Honorable Michael E. Busch  
Speaker of the House  
State House, H101  
100 State Circle  
Annapolis, MD 21401

**RE: Annual Hiring Agreement Report – MSAR #7667**

Dear President Miller and Speaker Busch:

The Department of Human Services (DHS) is required to submit to the Maryland General Assembly as well as the Department of Legislative Services the Annual Hiring Agreement report. This requirement is in accordance with State Finance and Procurement Article §13-224(d) and stated under House Bill 268 (Ch. 385, Acts of 2009).

If you should require additional information please contact the Office of Government Affairs at 410-767-8543.

Sincerely,



Lourdes R. Padilla  
Secretary



November 1, 2018

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

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

**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 to the Maryland General Assembly as well as the Department of Legislative Services the Annual Hiring Agreement report. This requirement is in accordance with Human Services Article §5-304(c)(4) and stated under House Bill 268 (Ch. 385, Acts of 2009).

If you should require additional information please contact the Office of Government Affairs at 410-767-8543.

Sincerely,



Lourdes R. Padilla  
Secretary



**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, 2018

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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 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:

- 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 (14 and older)
- Foster Care Youth (18-25 years old)
- Child Support Obligors

\* Note: TCA-Temporary Cash Assistance includes both TANF-Temporary Assistance to Needy Families and TCA recipients.

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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, the program is also supported by local governments via Maryland Association of Counties (MACo) agreement.

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## **PROGRAM DEVELOPMENT**

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Over a series of several meetings with various stakeholders (Jacob France Institute- University of Baltimore, DHS & DBM Procurement personnel, numerous pre-bid contact sessions), between August 2016 until August 2017 a number of key changes have taken place in the Hiring Agreements program to ensure the successful continuation and improvement such as:

- A successfully petition to extend the processing time for applicants from three business days to five business days. Allowing 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 "Attachment O" language, supported by the Department of Budget & Management (DBM) Procurement Office.
- The Hiring Agreement packet has been revised for more efficient use.

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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, to include required job specifications, and employment outcome data.

There has been a concerted effort to connect with the departments local partners in, Foster care, Non-custodial parent programs, in concert with other TANF programming. We currently have a database of at least 24 points of contact for Hiring Agreements with each of the Local Departments of Social Services. Local departments are expected to disseminate hiring agreement opportunities to local organizations/agencies that interact with targeted populations.

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### REPORT CYCLE (April-2017 – March 2018)

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From April 2017 – March 2018, the Hiring Agreements Program had **201** active contracts as part of the program. These contracts resulted in **2,805** total job placements shown in Table 4. In addition, 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 **70 %** retained employment in the subsequent quarter for the current reporting period.

**Table 1 – State Contractor Job Placements by Target Group (#7667)**  
*Report Cycle: April 2017 through March 2018*

<b>Group</b>	<b># Placed</b>
TCA recipients	163
Children of current TCA recipients age 14 and older	1
Former TCA recipients	664
Children of former TCA recipients age 14 and older	68
Child Support Obligors	10
Foster Care Youth 18-25 years of age	8
<b>Total</b>	<b>914</b>

**Table 2 – Local Government Job Placements by Target Group (#7666)**  
*Report Cycle: April 2017 through March 2018*

<b>Group</b>	<b>Total Hired (four quarters partially reported data)</b>	<b>Total Hired (three quarters fully reported data)</b>	<b>Total Retained in Subsequent Quarter</b>	<b>Total % Retained in 1st Quarter (three quarters)</b>
Current TCA recipients	204	170	135	66%
Former TCA recipients	74	67	16	22%
Children of Current TCA recipients	758	586	442	58%
Children of former TCA recipients	270	237	112	41%
Child Support Obligors	7	4	3	43%
Foster Care Youth 18-25	48	43	9	19%
<b>Total</b>	<b>1361</b>	<b>1107</b>	<b>717</b>	<b>53%</b>

**Table 3 – State Agencies Job Placements by Target Group**  
*Report Cycle: April 2017 through March 2018*

<b>Group</b>	<b>Total Hired (four quarters partially reported data)</b>	<b>Total Hired (three quarters fully reported data)</b>	<b>Total Retained in Subsequent Quarter</b>	<b>Total % Retained in 1st Quarter (three quarters)</b>
Current TCA recipients	72	57	52	91%
Former TCA recipients	18	12	10	83%
Children of Current TCA recipients	345	256	221	86%
Children of former TCA recipients	87	70	45	64%
Child Support Obligors	0	0	0	0%
Foster Care Youth 18-25	8	7	6	86%
<b>Total</b>	<b>530</b>	<b>402</b>	<b>334</b>	<b>83%</b>

**Table 4 - 1st Quarter Retention of Target Group Placements**  
*April 2017 through March 2018*

<b>Group</b>	<b>Total Hired (four quarters partially reported data)</b>	<b>Total Hired (three quarters fully reported data)</b>	<b>Total Retained in Subsequent Quarter</b>	<b>Total % Retained in 1st Quarter (three quarters)</b>
State Contractors	914	706	506	72%
Local Government	1361	1107	717	65%
State Agencies	530	402	334	83%
<b>Total</b>	<b>2805</b>	<b>2215</b>	<b>1557</b>	<b>70%</b>