

November 1, 2019

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

The Honorable Adrienne A. Jones
Speaker of the House
State House, H101
100 State Circle
Annapolis, MD 21401

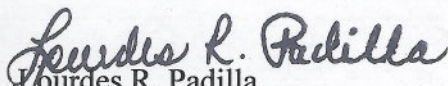
RE: Annual Family Investment Program Hiring Agreement Report – MSAR #12076

Dear President Miller and Speaker Jones:

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 Family Investment Program Hiring Agreement report. This report is in accordance with State Finance and Procurement Article §13-224(d) as stated under Senate Bill 580 (Ch. 8, Acts of 2019).

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
MARYLAND DEPARTMENT OF HUMAN SERVICES

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

November 1, 2019

REPORT REQUIREMENTS

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)

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] 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)

BACKGROUND

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 (FIP) 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 (BPW) 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 Department of Budget & Management (DBM), Department of General Services (DGS), and Maryland Department of Transportation (MDOT) and the University System of Maryland to select eligible contracts for hiring agreements. The Board requires DHS to submit an annual report addressing hiring agreements for these State agencies combined.

TARGET POPULATION

DHS, in partnership with other state agencies, encourages the use of hiring agreements as a mechanism for providing FIP recipients with employment opportunities with companies doing business with the state as vendors. The target population for this arrangement includes:

- Current Temporary Cash Assistance (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: TANF-Temporary Assistance to Needy Families and TCA-Temporary Cash Assistance will be used interchangeably throughout the report.

PARTNERSHIPS

Based on the needs of the target population, DHS has leveraged partnerships with state agencies (including DBM, DGS, MDOT, and the Department of Information Technology (DoIT))

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

PROGRAM DEVELOPMENT

Since 2016, DHS has taken the following steps to improve outcomes of HAP:

- Facilitated a statewide presentation addressing HAP goals, program monitoring, data reporting and tracking for Local Departments of Social Services (LDSSs).
- Instituted a new tracking system to monitor and catalog all job announcements subject to HAP
- Successfully advocated for an extension of time advised jobs are available to FIP recipients from three business days to five business days, allowing more qualified applicants to take advantage of employment opportunities within state agencies and related contractors,
- Instituted a new requirement for contractors to include their Federal Employment Identification Number on job announcements in order to improve reporting

OUTREACH

DHS has worked with stakeholders to streamline internal job announcements to include important details in order to help eligible FIP recipients to more accurately determine if they are a good fit for a particular position.

Each LDSS office has identified HAP points of contact that receive and disseminate position announcements to program staff and customers to the LDSS contacts also share hiring agreement opportunities with local partners that interact with the target populations.

REPORT CYCLE (April-2018 – March 2019)

During the current reporting cycle (April 2018 – March 2019), there were **219** active contracts impacted by HAP. These contracts resulted in **3,343** 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 University of Baltimore Jacob Francis Institute, indicated that **64%** of FIP recipients who obtained employment through HAP were employed in the quarter following the time at which they were placed.

DHS maintains a database of **382** state contractors. All contracts were evaluated based on following criteria to determine if they were subject to HAP requirements:

- *Contract amount of \$200,000 or more;*
- *Contract length of two years or longer;*
- *Contract with potential for employment during the life of the contract.*

DHS extends a special note of appreciation for the top three employers in each category:

State Contractors	New Hires
Broadway Services	250
Goodwill Chesapeake	100
Maxim Healthcare Services Inc.	65
Local Government	
Mayor's Office City Of Baltimore	51
Scholars K-8	47
Academy of Health Science PGCC	19
State Agency	
Maryland Department of Transportation	12
DHS Local Departments Operations	12
Maryland Transit Administration	4

Table 1 summarizes HAP job placements with state contractors while Table 2 addresses placements within local governments. Tables 3 and 4 summarize job placements within state agencies and quarterly job retention respectively. Table 5 provides a two-year comparison of HAP outcomes.

Table 1 – State Contractor Job Placements by Target Group (#7667) <i>Report Cycle: April 2018 through March 2019</i>			
Group	Placements In Current Quarter	Retention In First Post Quarter	Percentage 1st Quarter Retention
Current TCA recipients	182	102	56%
Children of Current TCA recipients	9	3	33%
Former TCA recipients	845	475	56%
Children of former TCA recipients	99	48	48%
Child Support Obligors	5	3	60%
Foster Care Youth 18-25	17	7	41%
Total	1157	638	55%

Table 2 – Local Government Job Placements by Target Group (#7666) Report Cycle: April 2018 through March 2019			
Group	Placements In Current Quarter	Retention In First Post Quarter	Percentage 1st Quarter Retention
Current TCA recipients	256	144	56%
Children of Current TCA recipients	66	12	18%
Former TCA recipients	1008	801	79%
Children of former TCA recipients	284	138	49%
Child Support Obligors	7	3	43%
Foster Care Youth 18-25	49	14	29%
Total	1670	1112	67%

Table 3 – State Agencies Job Placements by Target Group (#7667) Report Cycle: April 2018 through March 2019			
Group	Placements In Current Quarter	Retention In First Post Quarter	Percentage 1st Quarter Retention
Current TCA recipients	69	46	67%
Children of Current TCA recipients	21	14	67%
Former TCA recipients	326	278	85%
Children of former TCA recipients	87	45	52%
Child Support Obligors	1	1	100%
Foster Care Youth 18-25	12	7	58%
Total	516	391	76%

Table 4 - 1st Quarter Retention of Target Group Placements (#7667) April 2018 through March 2019			
Group	Placements In Current Quarter	Retention In First Post Quarter	Percentage 1st Quarter Retention
State Contractors	1157	638	55%
Local Government	1670	1112	67%
State Agencies	516	391	76%
Total	3343	2141	64%

Table 5 Prior Year Comparison Outcomes Report Cycle 2018 vs. 2019			
Group	2018	2019	Percentage % Increase/Decrease
State Contractors	914	1157	21%
Local Government	1361	1670	19%
State Agencies	530	516	-3%
Total	2805	3343	16%