



April 27, 2026

MEMORANDUM

TO: Shayla Adams-Stafford, Chair
Education and Workforce Development (EWD) Committee

THRU: Dr. Arun Puracken *AP*
Director of Education and Workforce Development Committee

FROM: Caleb Callender *CC*
Legislative Budget and Policy Analyst

RE: Employ Prince George's (EPG)
Fiscal Year 2027 Budget Review

Budget Overview

- Employ Prince George's (EPG) is a 501(c)3 organization that is partially funded through annual County grants in the "Non-Departmental" section of the budget and serves as the principal workforce development entity for the Prince George's County Government. EPG serves as the staff, fiscal agent and administrative agent of the Prince George's County Workforce Development Board, the entity managing and distributing the County's Workforce Innovation & Opportunity Act (WIOA) Title I fund, and the operator of the Prince George's County Public Workforce System.
- The FY 2027 proposed budget for EPG is \$16,689,600, an increase of \$331,000 or 2% over the FY 2026 Approved Budget. FY 2027 Budget increases are driven by increases in OIT charges, mandated salary requirements, increase in fringe benefit expenses, and operating costs for staff development, travel, training, and outreach. This is partially offset by decreases in operating costs for supportive services, supplies, contractual services, and outreach.
- Currently, \$532,050, or 33% of EPG's FY 2026 County-allocated funds is unspent.

Budget Comparison – Revenues

County Contribution

- The proposed budget includes a direct County Contribution of \$2,609,600, representing about 15.6% of EPG’s total budget.

Category	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	\$ Change	% Change
County Grant - County Executive	\$ 1,694,300	\$ 1,609,600	\$ 1,609,600	\$ 1,609,600	\$ -	0.0%
County Grant - Reentry Program	300,000	300,000	300,000	300,000	\$ -	0%
County Grant - Returning Citizen Affairs Division	1,000,000	500,000	500,000	500,000	\$ -	0%
County Grant - Video Lottery Terminal (VLT)	200,000	200,000	200,000	200,000	\$ -	0%
Dept. of Family Services Grant	214,000	214,000			\$ (214,000)	-100%
TOTAL	\$ 3,408,300	\$ 2,823,600	\$ 2,609,600	\$ 2,609,600	\$ (214,000)	-7.6%

- The following is a breakdown of which of EPG’s programs receive funding from County grants:
 - County Grant – County Executive: Used in all EPG 14 programs
 - County Grant – Reentry Program: Supports the County’s Reentry Program for returning citizens
 - County Grant – Video Lottery Terminal (VLT) Grant: Used by seven (7) programs, operating from the American Job Center – National Harbor
 - Work Innovation Opportunity Act (WIOA) Grant – Youth Grant: Supports the County’s job centers and nine (9) youth programs
 - Work Innovation Opportunity Act (WIOA) Grant – Adult Grant: Supports the County’s job centers and the nine (9) adult demographic-specific programs, apprenticeships, industry-specific programs, and business services operated by EPG.
 - Work Innovation Opportunity Act (WIOA) Grant – Dislocated Worker Grant: Supports the County’s job centers and the nine (9) adult demographic-specific programs, apprenticeships, industry-specific programs, and business services operated by EPG.
 - Governor’s Summer Youth Connection Grant: Used to procure a provider to operate a Summer Youth Employment program, serving young adults, ages 14-24.
 - DHCD Community Development Block Grants: Operates Knowledge Equals Youth Success (KEYS) out-of-school youth program, as well as eight (8) other programs operated by EPG.

Other Grant Funding

Employ Prince George’s has received six (6) grants to date that range from FY 2026 to FY 2029, totaling \$3,707,541:

- *Pathway Home 6* (US Department of Labor) – FY26-29; \$2,883,773
- *SNAP E&T* (Maryland Department of Human Services – FY26-28; \$374,095
- *EARN TALC* (Maryland Department of Labor) – FY26-FY27; \$145,354
- *EARN Residential Leasing* (Maryland Department of Labor) – FY26-FY27; \$149,630
- *Performance Incentive Grant Fund* (Governor’s Office of Crime Prevention and Policy – FY26; \$114,736
- *Direct Care Workforce Innovation Program* (Maryland Department of Labor) – FY26-FY28; \$39,953

Budget Comparison – Expenditures

Expenditures by Category

Category	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	Change FY26-FY27	
					Amount (\$)	Percent (%)
Compensation	\$9,728,550	\$6,524,000	\$8,059,300	\$7,217,800	\$693,800	10.6%
Fringe Benefits	3,377,809	2,242,700	2,901,300	2,582,200	339,500	15.1%
Operating	10,690,429	7,591,900	13,798,800	6,889,600	(702,300)	-9.3%
Total	\$23,796,788	\$16,358,600	\$24,759,400	\$16,689,600	\$331,000	2.0%

- FY 2027 Compensation is proposed at \$7,217,800, an increase of \$693,800, or 10.6%, above the FY 2026 Approved Budget, due to mandated increase in salary requirements.
- FY 2027 Fringe Benefits are proposed at \$2,582,200, an increase of \$339,500, or 15.1%, above the FY 2026 Approved Budget. The increase is to align with projected costs.

OPERATING EXPENSES					
Operating Objects	FY 2025 Actual	FY 2026 Budget	FY 2027 Proposed	FY 2026 - FY2027	
				\$ Change	% Change
<i>Direct Programming Expenses</i>					
Staff Development and Training	\$ 153,500	\$ 144,247	\$ 40,000	(113,500)	-73.9%
Participant Training	1,160,500	2,975,000	1,208,000	47,500	4.1%
Participant Supportive Services	375,000	319,460	204,000	(171,000)	-45.6%
Supplies	671,900	598,750	457,000	(214,900)	-32.0%
Contractual	3,279,800	3,750,873	2,693,250	(586,550)	-17.9%
Other	1,500,000	2,548,900	1,022,550	(477,450)	-31.8%
<i>Other Operating Expenses</i>					
Administrative Expenses	451,200	1,934,000	1,264,800	813,600	180.3%
TOTAL	\$ 7,591,900	\$ 12,271,230	\$ 6,889,600	\$ (702,300)	-9.3%

- FY 2027 Operating expenses are proposed at \$6,889,600, a decrease of \$742,300, or 9.8%, below the FY 2026 Approved Budget. This decrease is due to the costs for supportive services, supplies, outreach and contracts and is partially offset by increases in staff development, training and travel.

Contracts

- Below is a list of all EPG’s currently executed contracts and all planned contracts. County Funded contracts for FY 2027 are proposed at \$165,000 and are itemized below:

#	Vendor Name	Description of Service	Budget Category (Identify which expense category this contract falls under in your total budget request)	Identify if MBE/CB E* (Yes or No)	2025 Actuals	2026 Approved	2026 Estimate	2027 Request	FY 2027 OMB Recomm	\$ Change	% Change	Notes
Contractual												
1	TBD by Competitive Procurement	Pre-Release Services	Contractual	tbd		\$ 30,000	\$ 30,000	\$ 10,000	\$ 10,000	\$ (20,000)	100.0%	To provide services inside to prepare returning citizens for transition and the fundamentals of employment including career planning & job-searching and connect them to post-release services.
2	Pathways Away From Incarceration	Career Counseling & Support	Contractual	No		\$ 10,000	\$ 24,000	\$ 8,000	\$ 8,000	\$ (2,000)	-20.0%	
3	TBD by Competitive Procurement	Entrepreneurship Training	Contractual	tbd		\$ 25,000	\$ 25,000	\$ 40,000	\$ 40,000	\$ 15,000	100.0%	An alternative job searching with a criminal record is self-employment through entrepreneurship so this contract will focus on guiding participants through starting a business
4	Vehicles for Change	Job training	Contractual	No		\$ 40,000	\$ 49,000	\$ 40,000	\$ 40,000	\$ -	0.0%	Automotive Technician training and support.
5	Problem Solving Courts	Career Counseling	Contractual	No		\$ 40,000	\$ 59,265	\$ 58,900	\$ 58,900	\$ 18,900	47.3%	The contract with the Problem Solving Courts is about increasing our pipeline of justice-involved residents and being able to engage them and start working with them earlier in the process so we can direct them to employment quicker.
6	To be determined: Various	Basic Skills Training	Contractual	tbd		\$ 20,000	\$ -	\$ -	\$ -	\$ (20,000)	-100.0%	
Total					0	165,000	187,265	156,900	156,900	(8,100)		

Workload and Performance Data

- EPG’s new Prince George's County Virtual Career Center has been fully completed and implemented. The platform has strengthened outreach and engagement by allowing job seekers to access EPG services virtually.
- EPG Intelligence has enhanced job matching capabilities within the system
- The Pathways to the Future initiative will prepare incarcerated individuals for employment by delivering pre-release workforce development services where participants can engage with career coaches and improve relevant skills.

Employee Data

Category	FY 2026		FY 2027		Change		Change	
	Approved		Proposed		Amount		Percentage	
	FT	PT	FT	PT	FT	PT	FT	PT
County Funded	22	0	12	0	-10	0	-45.5%	N/A
Grant Funded	95	4	90	1	-5	-3	-5.3%	-75.0%
Total	117	4	102	1	-15	-3	-13%	-75%

Residents Served

Residents Served		
	FY 2025	FY 2026 YTD
American Job Centers	12,446	10,721
Prince George's County Virtual Career Center	7,752	5,597
Total	20,198	16,318

Challenges

- Reduction in available funding led to staff reductions across Employ Prince George’s. These reductions impacted operational capacity and decreased the number of job seekers able to progress to Tier 3 services. EPG is continuing to work to stabilize operations and maximize available resources while pursuing additional funding opportunities.
- The ARPA grant and the County ARPA grant terminate on June 30, 2026. The loss of these flexible funding sources may affect overall program capacity and reduce enrollment in initiatives that rely on these funds. Additionally, EPG has delayed renewing the lease agreement with Tanger Outlets-National Harbor and is currently making month-to-month lease payments.
- The Prince George's County Re-Entry Employment Incentive Program has not taken off yet, and thus far, no residents have been served by the program. EPG needs to work with the

Shayla Adams-Stafford, Chair

EWD Committee

Page 6

Returning Citizens Affairs Division to submit a proposal to the County Council to make the effort more appealing to businesses. Currently, businesses choose other EPG incentives over the reentry incentive. Additionally, the County Council's Re-Entry Advisor Board became defunct after the recommendations were finalized several years ago.