



# THE PRINCE GEORGE'S COUNTY GOVERNMENT


## Office of Audits and Investigations

April 26, 2021

### FISCAL AND POLICY NOTE

TO: Robert J. Williams, Jr.  
Council Administrator

William M. Hunt  
Deputy Council Administrator

FROM: Josh Hamlin   
Senior Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Note  
CR-046-2021, Contract Approvals – Multiyear

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**CR-046-2021** (*Proposed and introduced by:* The Chair of the Council at the request of the County Executive)

Assigned to the Committee of the Whole

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**A RESOLUTION CONCERNING CONTRACT APPROVALS** for the purpose of approving certain multiyear contracts in accordance with the Prince George's County Charter and Subtitle 10 of the Prince George's County Code.

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### Fiscal Summary

#### Direct Impact:

*Expenditures:* Additional Fiscal Year (FY) 2022 expenditures of \$24,765,400.

*Revenues:* N/A.

#### Indirect Impact:

Likely positive.

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### **Legislative Summary:**

CR-046-2021, proposed by the Chair at the request of the County Executive, will be introduced on April 27, 2021 and referred to the Committee of the Whole (COW). CR-046-2021 would approve certain multiyear contracts *after public comment* as required under County law.

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### **Current Law/Background:**

Under Section 819 of the Charter for Prince George's County, Maryland, the County Council must approve, by resolution, all multiyear contracts exceeding an aggregate of Five Hundred Thousand Dollars (\$500,000). Further, in accordance with Section 10-105<sup>1</sup> of the Prince George's County Code, the County Executive must annually submit a report listing certain multiyear personal service contracts for the coming fiscal year exceeding an aggregate of One Hundred Thousand Dollars (\$100,000) per contractor, and all other executory multiyear contracts for the coming fiscal year exceeding an aggregate of Five Hundred Thousand Dollars (\$500,000), as budgeted, for public review, comment, and approval action by the County Council.

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### **Discussion/Policy Analysis:**

The contracts subject to approval are detailed within Attachment A to the Resolution. Attachment A does not include any multiyear personal services contracts over \$100,000; it includes 21 multiyear contracts exceeding an aggregate of five hundred thousand dollars (\$500,00). Of these, eight (8) are for the Office of Information Technology (OIT), three (3) each are for the Office of Human Resources Management (OHRM), Health Department, and Department of Environment (DOE); two (2) are for the Department of Permits, Inspections and Enforcement (DPIE); and one (1) each is for the Department of Corrections (DOC) and Non-Departmental.

The aggregate amount of the contracts for FY 2022 is approximately \$24,765,400. Nine (9) of the contracts have terms beginning in FY 2022, with an FY 2022 cost of \$12,931,100.<sup>2</sup> All of the others have terms that began prior to July 1, 2021.

By agency, the FY 2022 cost breakdown in descending order is as follows:

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<sup>1</sup> §10-105(c) provides that "For purposes of compliance with the prescriptions of Section 819 of the County Charter, at the time of the submission of the proposed budget for the ensuing fiscal year or, not later than April 1 of each fiscal year, the County Executive shall submit to the County Council a report listing all executory multiyear personal service contracts for the ensuing fiscal year exceeding an aggregate of One Hundred Thousand Dollars (\$100,000) per contractor, and all other executory multiyear contracts for the ensuing fiscal year exceeding an aggregate of Five Hundred Thousand Dollars (\$500,000) for review, public comment, and approval as part the Council budget approval process. The report shall list each contractor and total contract value of the executory multiyear contract. Any contract listed therein not approved by the Council shall be deemed disapproved."

<sup>2</sup> The aggregate value of the contracts with terms beginning in FY 2022 is \$80,815,400.

DOE:	\$ 9,694,700
OHRM:	\$ 4,915,000
Health:	\$ 3,840,000
OIT:	\$ 2,042,900
DPIE:	\$ 1,805,100
DOC:	\$ 1,800,000
<u>Non-Departmental:</u>	<u>\$ 667,700</u>
<b>Total:</b>	<b>\$24,765,400</b>

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**Fiscal Impact:**

*Direct Impact*

Adoption of CR-046-2021 would authorize contracts resulting in additional expenditures of \$24,765,400 in FY 2022 and should not have an impact on revenues.

*Indirect Impact*

Adoption of CR-046-2021 may have a positive indirect fiscal impact on the County to the extent that the services provided under the approved contracts are less expensive than if the County government provided them itself. Additionally, some of the services may be so dependent on specific technical expertise that the County may not be able to provide them at all.

*Appropriated in the Current Fiscal Year Budget*

No, however, the cost of the contracts is included in the proposed FY 2022 budget.

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**Effective Date of Proposed Legislation:**

The proposed Resolution shall be effective on the date of adoption.

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If you require additional information, or have questions about this fiscal impact statement, please call me.