

- Zero growth GRF budget places heavier reliance on federal funding
- Projected payroll deficit will force reductions in operational costs.

Ohio Civil Rights Commission

Holly Simpkins, Budget Analyst

ROLE

The Ohio Civil Rights Commission is charged with enforcing Chapter 4112. of the Revised Code, which prohibits discrimination on the basis of race, color, sex, religion, national origin, age, ancestry, disability or familial status in employment, public accommodations, housing, granting credit, and higher education. The commission was established in 1959 with the enactment of Am. S.B. 10 of the 103rd General Assembly. The Governor, with the advice and consent of the Senate, appoints five members to the commission, not more than three of whom can be of the same political party, and at least one of whom must be at least sixty years of age.

The commission is a single-program series agency with two major activities. First, it investigates complaints and adjudicates discrimination charges filed by citizens of Ohio pertaining to discrimination in employment, housing, public accommodation, credit, and admission to, and participation in, activities sponsored by institutions of higher learning, on the basis of race, color, religion, sex, national origin, disability, age, ancestry or familial status. Second, in addition to its enforcement responsibilities, the commission is mandated to conduct educational and public outreach programs.

The commission receives approximately 5,500 official charges of discrimination each year, and well over 100,000 inquiries from the public with questions and/or concerns regarding discrimination. State law mandates that investigations must be complete within one year in order to adjudicate cases where it is probable that discrimination has occurred. Over one-half of the commission's GRF budget is for staff that investigate and resolve charges of discrimination. Additional funding is received through contracts with two federal agencies: the Equal Employment Opportunity Commission (EEOC) and the Department of Housing and Urban Development (HUD).

Agency In Brief					
Number of Employees	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2002	2003	2002	2003	
199	\$13.8 million	\$14.4 million	\$10.1 million	\$10.1 million	Am. Sub. H.B. 94

OVERVIEW

The enacted budget essentially provided the commission with “no-growth” in its GRF appropriations, which will make problematic its ability to deliver in the FY 2002-2003 biennium the same level of services that were provided in FY 2001. Specifically, the commission received around \$1.2 million and \$1.9 million less in GRF funding for FYs 2002 and 2003, respectively, than it had requested to maintain its FY 2001 level of services.

The fiscal consequences of this GRF budget will likely be reflected in staff and related payroll costs. Because the commission uses around 80 percent of its GRF funding to cover staff, it will face a payroll deficit in the FY 2002-2003 biennium, a problem that will be exacerbated by the need to pay the costs of mandated general wage increases for 190 of its employees covered by existing collective bargaining agreements. As a result, the commission will have to rely more heavily on federal funding and restrict other GRF operating expenses in order to fully fund its projected payroll costs in the FY 2002-2003 biennium.

This projected payroll deficit is of particular concern for the commission because, after a review of wage scales for investigative classifications, it found that its investigators perform more complex work than their counterparts in sister agencies, yet they earn a lower rate of pay. Turnover in its investigative staff continues to be a problem, and the lower rate of pay, among other factors, has caused some of the commission’s highly skilled investigators to quit in order to pursue related, but higher paying work.

Placing a heavier reliance on its federal funding in the FY 2002-2003 biennium could prove problematic for several reasons. First, the commission can’t predict with certainty the availability of federal funds. Second, the amount of federal funding fluctuates from year-to-year based on available funding and the number of contracted cases. Third, the timeliness of the federal government’s reimbursement payments is unpredictable.

A further federal funding problem is that federal reimbursement covers only a portion of the commission’s cost involved in handling discrimination charges. For EEOC cases, the federal reimbursement covers approximately \$500 per case for a fixed number of cases established at the beginning of the federal fiscal year. If the number of cases is higher than the EEOC has anticipated funding, then the commission underwrites the difference. For HUD cases, the federal reimbursement covers approximately \$1,700 per case based upon the number of eligible cases processed during the previous year. To actually cover the costs of cases, HUD would need to pay \$2,200 per case and the EEOC would need to pay \$800 per case. Also, to receive full funding from the EEOC, the commission must complete 4,000 cases in nine months and be the first state to complete this number of cases. It should also be kept in mind that the commission is required to investigate all discrimination charges that are filed. 

FY 2002 - 2003 Final Appropriation Amounts

All Fund Groups

<i>Line Item Detail by Agency</i>			<i>FY 1999:</i>	<i>FY 2000:</i>	<i>FY 2001:</i>	<i>FY 2002 Appropriations:</i>	<i>% Change 2001 to 2002:</i>	<i>FY 2003 Appropriations:</i>	<i>% Change 2002 to 2003:</i>
Report For: Main Operating Appropriations Bill			Version: Enacted						
CIV Ohio Civil Rights Commission									
GRF	876-100	Personal Services	\$ 8,636,084	\$ 9,285,514	\$9,199,274	\$ 9,022,029	-1.93%	\$ 9,022,030	0.00%
GRF	876-200	Maintenance	\$ 1,019,045	\$ 1,072,983	\$1,080,499	\$ 972,561	-9.99%	\$ 972,561	0.00%
GRF	876-300	Equipment	\$ 256,056	\$ 111,556	\$126,946	\$ 110,164	-13.22%	\$ 110,164	0.00%
GRF	876-401	African American Males	\$ 372,335	\$ 128,200		\$ 0	N/A	\$ 0	N/A
General Revenue Fund Total			\$ 10,283,520	\$ 10,598,253	\$ 10,406,718	\$ 10,104,754	-2.90%	\$ 10,104,755	0.00%
334	876-601	Federal Programs	\$ 2,112,351	\$ 2,086,432	\$1,727,386	\$ 3,702,577	114.35%	\$ 4,284,113	15.71%
Federal Special Revenue Fund Group Total			\$ 2,112,351	\$ 2,086,432	\$ 1,727,386	\$ 3,702,577	114.35%	\$ 4,284,113	15.71%
4H3	876-603	African American Males Gifts and Gra	\$ 0	\$ 0		\$ 0	N/A	\$ 0	N/A
217	876-604	General Reimbursement	---	---		\$ 20,440	N/A	\$ 20,951	2.50%
State Special Revenue Fund Group Total			\$ 0	\$ 0	----	\$ 20,440	N/A	\$ 20,951	2.50%
Ohio Civil Rights Commission Total			\$ 12,395,871	\$ 12,684,685	\$ 12,134,104	\$ 13,827,771	13.96%	\$ 14,409,819	4.21%