

MEMORANDUM

TO: Government Operations & Fiscal Policy Committee
FROM: Justina J. Ferber  Legislative Analyst
SUBJECT: Meeting with Merit System Protection Board (MSPB)

The Committee has asked to meet with the Merit System Protection Board to discuss several issues:

- A. **Classification and Compensation Audit** - Cost and scheduling information for the performance of a Classification and Compensation Audit
- B. **Merit System Review Commission** - Whether there should be a Merit System Review Commission every four years as required by the County Code
- C. **MSPB Issues** - Issues the MSPB wishes to discuss with the Committee

A. Classification and Compensation Audit

Background

Section 33-7 of the Montgomery County code provides for the following:

Section 33-7 (c) *Classification standards.*

* * *

(6) Criteria for the establishment or abolishment of positions

The Board must conduct or authorize periodic audits of classification assignments made by the Chief Administrative Officer and of the general structure and internal consistency of the classification plan, and must submit audit findings and recommendations to the County Executive and County Council.

The Code of Montgomery County Regulations (COMCOR), §33.07.01.09(h)(2)(A) provides:

At least once every 5 years, the Merit System Protection Board (MSPB) must have a consultant who is a specialist in the field and independent of the county government conduct an objective audit of the entire classification and compensation plan and procedures.

COMCOR §33.07.01.09(h)(2)(B) allows the MSPB to instruct the consultant to address specific topics or questions as part of the audit. COMCOR §33.07.01.09(h)(2)(C) allows MSPB to postpone the audit with the approval of the County Council.

By memorandum dated November 5, 2003, Harold Kessler, MSPB Chairman, requested a deferral of the FY05 audit of the Montgomery County Classification and Compensation Plans and Procedures explaining that the Board did not have any information indicating there is an immediate necessity, and did not see an absolute need to conduct an audit of the systems in FY05. He noted that the last audit dated April 25, 2001 found that the Office of Human Resources was administering the classification regulations, polices, and procedures in a manner prescribed. On May 4, 2004, the Council adopted Resolution No. 15-592, which approved deferral of the audit until FY08. Resolutions adopted by the Council in 2007, 2009, and 2011 approved deferral of the audit until FY13. The MSPB has not had any grievances over occupational issues for at least six years.

The County currently uses a Quantitative Evaluation System (QES) which is a quantitative, point-factor job evaluation system for determining the grade of occupational classes. The QES was designed to meet the needs of the County government for a single bias-free job evaluation system which can be applied to all County government merit system occupational classes. Responsibility for administering QES has been delegated to the OHR Director. Consideration might be given to using market studies as a basis for salary comparison rather than the complex QES system.

OHR annually (with the exception of 2011 when studies were suspended due to lack of funding) conducts studies of several encumbered occupational classes of County jobs. For FY12 and FY13 three occupational studies for each fiscal year are in the initial phase of a study for employees who are in MCGEO bargaining units. The three occupational studies are provided for in the FY12 and FY13 MCGEO contract and some portion of non-union jobs will be included if they relate to or are in the same class series as union jobs. The occupational classes that are encumbered by employees represented by FOP and IAFF are not evaluated by using the point factor system, QES. The Police Officer and Fire Fighter/ Rescuer series are standard job classes. Where there is a need, OHR continues to create new occupational classes.

Discussion

Council staff has been in discussions with OHR and MSPB staff about the conduct and cost of a county-wide Classification and Compensation Audit. Keeping in mind the cost of private consultants, in January 2007, the MSPB received a very preliminary estimate from Towson University for a comprehensive audit of \$500,000.

Council staff explored alternatives in pursuit of the best use of County tax dollars.

1. Pursue other estimates for the Classification and Compensation Audit. However, Executive and MSPB staff believe that the \$500,000 estimate is at the low end of current costs for such audits.
2. Separate issues related to a comprehensive Classification and Compensation Audit and spread the audit over several years.
3. Delay the Classification and Compensation Audit for another two years.
4. Ask the Executive to submit an amendment to the Personnel Regulations repealing the requirement for a Classification and Compensation Audit every five years, or change the five years to another time frame, or say from time to time, or some other requirement.
5. Similar to alternative four would be the delay or deletion of the audit and the development of a system for conducting classification and compensation studies of all occupational classes over the next five years. This would require OHR in consultation with MCGEO and management to develop a schedule and priority list for conducting occupational class studies and additional funding in the budget. Nonunion employees are most affected by individual studies so OHR may have to hire contractors or additional personnel to conduct studies. A five-year plan should be developed and in each budget cycle OHR should provide a schedule and proposed funding for studies to be conducted each fiscal year so that all County occupational classes are on a scheduled rotation. This would be an expedited approach to the current schedule of three studies per year and allow additional studies to be done. The union with their knowledge of recruitment, retention and compensation problems would assist in prioritizing the occupational classes under review.

The Committee should discuss these alternatives with the MSPB and obtain their views. Council staff recommends alternative No. 5 as the most practical approach including the repeal of the five-year requirement for a Classification and Compensation Audit.

Information from OHR related to classification studies done in last five years, studies in pipeline and recommendations for future studies to be done under current resources is attached at ©1.

B. Merit System Review Commission

The Montgomery County Code, Section 33-5(d), requires the Council to convene a merit system review commission every four years if determined necessary. The functions of the commission are to strengthen the system of checks and balances among those officials and agencies of County government having merit system responsibilities and to examine and recommend legislative or administrative revision to the merit system in keeping with the intent of the County Charter and the Merit System Article of Chapter 33 and with new developments in the field of public administration and personnel management.

The first merit system review commission was appointed in 1980 and reported in 1981. Every four years since 1981, the Council has determined that it was not necessary to appoint a merit system review commission. Resolutions contained the following justification when stating that the commission was unnecessary: "The County government has continuously addressed the dramatic changes that have taken place in area of personnel management in general and in the County personnel system in particular since 1981. Some of the changes implemented by the County include implementation of collective bargaining for certain employees; changes and improvements to recruitment, selection, appointment, career advancement and training processes; reorganization of the Personnel Office into the Office of Human Resources; and establishment of the Management Leadership Service. The Council's Government Operations and Fiscal Policy (GO) Committee has continuing oversight into personnel and merit system issues as does the Merit System Protection Board. Recognizing the ongoing efforts to evaluate and improve the County government personnel system, the Council finds that there is no need at this time to appoint a merit system review commission. However, the Council may decide to appoint a commission if later events suggest that it is advisable to do so."

The requirement for a merit system review commission predates collective bargaining and the Management Leadership Service and may be unnecessary. The Committee wanted to obtain the views of the Board on this issue.

C. MSPB Issues

The Board has been invited to discuss any issues with the Council Committee. One issue discussed by staff is the requirement for an annual public forum. The Code requires the Board to convene at least annually a public forum on personnel management in the County government to examine the implementation of Charter requirements and the merit system law. The last two forums have not been well-attended; three and five attendees respectively. The forum takes time and resources and perhaps the code could be amended to assure that the Board invites opinions annually, whether by internet, letter or other means. A memo from the MSPB reporting on the June 4 forum is attached.

Attachment: Memo from OHR on classification studies ©1
Memo from MSPB on Annual Public Forum ©4



OFFICE OF HUMAN RESOURCES

Isiah Leggett
County Executive

Joseph Adler
Director

MEMORANDUM

July 11, 2012

TO: Stephen Farber, Director
Justina J. Ferber, Legislative Analyst
Office of the County Council

FROM: Joseph Adler, Director
Office of Human Resources

SUBJECT: MSPB Classification and Compensation Audit

OHR met with Ms. Justina Ferber to discuss the Classification and Compensation Audit prior to the up-coming GO Committee meeting. In recent years, OHR reduced staff and operational resources as it relates to classification studies. Therefore, there has been a moratorium on conducting classification studies. Below is a listing of studies that have been conducted in the last five years. As you will notice, prior to the moratorium that occurred beginning FY 11, OHR conducted on average ten studies per year. The listing below includes studies that are new occupational class creations or studies that the County and MCGEO have agreed to conduct during FY 11, FY 12 and FY 13.

LISTING OF OCCUPATIONAL CLASSES THAT HAVE BEEN OR WILL BE STUDIED

Department	Class title
FY 07	
Health and Human Services	Conservation Service Corp Crew Trainee
Department of Public Works and Transportation	Maintenance Renovation and Inspection Specialist
Department of Public Works and Transportation	Maintenance Renovation and Inspection Specialist
Libraries	Library Driver Clerk
Department of Liquor Control	Warehouse Supervisor
Department of Liquor Control	Assistant Warehouse Supervisor
Police Department	Crossing Guards
Housing and Community Affairs	Housing and Community Affairs Inspectors

FY 08	
Various	Graphic Artist I and II
Department of Corrections and Rehabilitation	Correctional Records Technician
Department of Public Works and Transportation	Transit Communications Supervisors
Department of Public Works and Transportation	Capital Projects Manager
Department of Libraries	Librarian I, and II
Department of Libraries	Librarian Technician
Department of Libraries	Librarian Assistant I and II
Department of Libraries	Library Desk Assistant
Department of Libraries	Library Associate
Department of Libraries	Library Assistant Supervisor
Department of Public Works and Transportation	Facilities Maintenance Supervisor
Department of Public Works and Transportation	District Supervisor
Various	Program Manager I and II
Various	Program Specialist I and II
FY 09	
Department of Transportation	Construction Representative III
Various	Data Entry Operator
Finance Department	Occupational Safety and Health Specialist
Police Department	Police Services Assistants
Various	Public Administrative Assistants
Department of General Services	Print Mail Records Services Manager
Department of General Services	Welder
Department of General Services	Property Manager I and II
FY 10	
Various	Engineer III
Department of Health and Human Services	Community Health Nurse
Department of Health and Human Services	Licensed Practical Nurse
Department of General Services	Parking Meter Mechanic
Department of Transportation	Transit Contract Compliance Specialist
FY 11	
Police Department	Forensic Fire Arms/Tool Mark Examiner
FY 12	
Police Department	Traffic Enforcement Field Service Technician
Department of Corrections and Rehabilitation	Residential Supervisor III
Public Information Office	Customer Service Representative Trainee, I and II
Health and Human Services	School Health Room Aides
Department of Transportation	Equipment Operator I, II and III
Department of Corrections and Rehabilitation	Correctional Dietary Officer

FY 13	
Police	Automated Traffic Enforcement Field Technician
Department of General Services	Public Service Crafts Worker
Department of Fire Rescue Services	Fire and Rescue Service Mechanic Technician I, II and III

If you have any questions please contact me by email at Joseph.Adler@montgomerycountymd.gov or on phone 240-777-5010 or Kaye Beckley by email at Kaye.Beckley@montgomerycountymd.gov or on phone 240-777-5041.

JA/kb

cc: Kathleen Boucher, ACAO

GOVT

JF
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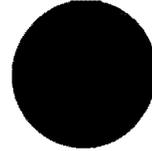


MERIT SYSTEM PROTECTION BOARD

July 10, 2012

Honorable Roger Berliner
President, County Council
100 Maryland Avenue
Rockville, MD 20850

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RECEIVED
MONTGOMERY COUNTY
COUNCIL

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Dear Mr. Berliner:

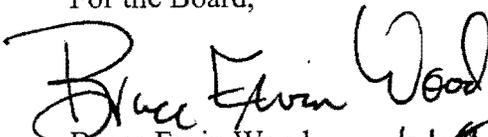
On June 4, 2012, the Merit System Protection Board (Board) held its Annual Public Forum (Forum) as required by the Montgomery County Code, Section 33-7(1). Board members in attendance were the Chair, Bruce Ervin Wood, the Vice Chair, Rodella E. Berry, and the Associate Member, Julie Martin-Korb.

The purpose of the Forum is to provide Montgomery County employees, employee organizations, management officials, and citizens the opportunity to present their views, concerns, and suggestions with respect to the administration of the County's merit personnel system. The Board is also interested in hearing about ways and means of enhancing human resource programs which would benefit all employees.

A transcript of the Forum is available for review. During this year's Forum, an issue was raised concerning review of employee performance evaluations by the Board. The Board explained that pursuant to the current Montgomery County Personnel Regulations, appeals of performance ratings are not within the jurisdiction of the Board. The Board did explain that if a negative performance rating resulted in a disciplinary action, such as a demotion or termination, the Board would review the performance rating as part of the appeal process.

If you need any further information, please contact our Executive Director, Kathleen J. Taylor, at x76620. We are available to meet with you at your convenience.

For the Board,


Bruce Ervin Wood
Chair