

AGENDA ITEM #2E
June 16, 2009

Action

MEMORANDUM

June 12, 2009

TO: County Council

FROM: Susan J. Farag, Legislative Analyst 

SUBJECT: **Action: Resolution to Approve Postponement of FY10 Audit of the Montgomery County Classification and Compensation Plans and Procedures**

The County's Personnel Regulations require the Merit System Protection Board (MSPB) to "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" once every five years.¹ COMCOR §33.07.01.09(h)(2)(C) authorizes MSPB to postpone the audit if approved by the Council.

The audit has been postponed several times in recent years. The last audit was dated April 25, 2001 and found that the Office of Human Resources was administering the classification regulations, policies, and procedures in the prescribed manner. The next audit was to be performed in FY05. On May 4, 2004 the Council approved Resolution No. 15-592, which approved deferral of the audit until FY08. On May 14, 2007 the Council approved resolution 16-193, which postponed the audit until FY10.

The MSPB is again requesting a postponement of the audit, which is projected to cost about \$155,000. No funding is included in the Approved FY10 budget for the audit.

During FY10 budget deliberations, the Council supported the Management and Fiscal Policy Committee recommendation to postpone the audit again. The Committee stressed the importance of conducting the audit, but recognized the severe budget constraints facing the County for the upcoming fiscal year. The MFP Committee requested a memo from MSPB, outlining the salient findings of the last audit (©3-9). Attached on ©1-2 is a resolution to

¹ Code of Montgomery County Regulations (COMCOR) §33.07.01.09-3(h)(2)(A).

postpone the audit until FY11. Background information on the Committee's recommendation is attached on ©10-21.

<u>This packet contains:</u>	<u>Circle</u>
Resolution Postponing the Compensation Audit	1– 2
MSPB Memo to MFP Committee regarding findings of last audit	3– 9
Council Packet on the MSPB FY10 Operating Budget	10–19

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Resolution No.: _____
Introduced: June 9, 2009
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Postponement of FY10 Audit of the Montgomery County Classification and Compensation Plans and Procedures

Background

1. 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.”
2. COMCOR §33.07.01.09(h)(2)(A) allows MSPB to postpone the audit with the approval of the County Council.
3. 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, policies, and procedures in a manner prescribed.
4. On May 4, 2004 the Council approved Resolution No. 15-592, which approved deferral of the audit until FY08.
5. On April 25, 2007 the Management and Fiscal Policy Committee recommended MSPB postpone the audit until FY10. The Council approved Resolution 16-193 on June 19, 2007, which approved deferral of the audit until FY10.
6. By memorandum dated December 3, 2008 Charla Lambertsen, MSPB Chairperson, requested a deferral of the FY10 audit due to projected budget shortfalls, and noted again that there is no information indicating there is an immediate need to conduct the audit.

7. On April 16, 2009 the Management and Fiscal Policy Committee recommended MSPB postpone the audit until FY11.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

The audit of the Montgomery County Classification and Compensation Plans and Procedures is postponed until FY11, with the assumption that the following audit would be scheduled five years later unless the Council approves another deferral.

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council



MERIT SYSTEM PROTECTION BOARD
M E M O R A N D U M

April 23, 2009

TO: Duchy Trachtenberg
Chair
Management & Fiscal Policy Committee
Montgomery County Council

FROM: Kathleen J. Taylor *KJT*
Executive Secretary

SUBJECT: Classification and Compensation Audit

At the Management & Fiscal Policy Committee's meeting on April 16, 2009, concerning the budget for the Merit System Protection Board (Board) for FY10, you requested additional information regarding the last Classification and Compensation Audit conducted under the auspices of the Board in 2001. Specifically, you requested information about the findings of the Board concerning the County's classification and compensation systems.

I am enclosing for your information a copy of the Board's report to the Council concerning the audit. The Board's overall observation was: "The Report reflects that OHR is administering the classification regulations, policies and procedures as currently prescribed." The audit contractor made ten specific recommendations but only seven were totally or partially endorsed by the Board. The Board supported expanded use of automation in the classification system. The Board also endorsed the more liberal use of special within grade advancements for occupations in short supply in the labor market. The Board agreed with the recommendation of educating employees about the classification and compensation system. It also endorsed expanding the Management Leadership Service to cover jobs below grade 30. The Board supported the use of "budget level" series where applicable. Finally, the Board agreed with the recommendation that jobs be graded based on both Quantitative Evaluation System (QES) evaluations (internal equity) and market data (external equity).

Please feel free to contact me if you need any additional information.

(3)



MERIT SYSTEM PROTECTION BOARD

MEMORANDUM

April 25, 2001

TO: Blair Ewing, President, County Council
Douglas Duncan, County Executive
Bruce Romer, Chief Administrative Officer

FROM: *Harold D. Kessler*
Harold D. Kessler, Chairman
Merit System Protection Board

SUBJECT: Audit of Montgomery County's Classification
And Compensation Plans and Procedures

County Personnel Regulations, Section 7-3, provides that at least once every five years the Merit System Protection Board (Board) have an impartial/objective audit conducted of the entire classification and compensation plan and procedures by a specialist in the field who is independent of the County government. It is further provided that the results of such an audit, and whatever recommendations the Board deems appropriate, shall be submitted to the County Executive, Chief Administrative Officer, and County Council for further consideration.

The Board contracted with Fox Lawson & Associates, LLC, Phoenix, AZ to conduct this audit, and we have been provided with a comprehensive final report that identifies the current system's strengths and opportunities for improvement, along with specific recommendations. The Board's attached findings and recommendations are based upon the results of this audit and the input thereon provided by Marta Brito Perez, Director, Office of Human Resources.

The attached Board report is hereby transmitted to you for your consideration and use in administering the County's Merit System. Enclosed are pages 1-36 of the final audit report from Fox Lawson & Associates, and a copy of a response to the report from the Director, Office of Human Resources.

The Board is available to meet with you and/or your staff to discuss the report and to respond to any questions you may have concerning the Board's comments.

HDK/swg
Attachment (3)

cc: Marta Brito Perez, Director, Office of Human Resources
Board Members

(4)

**RECOMMENDATIONS OF THE MERIT SYSTEM PROTECTION BOARD ON THE
AUDIT OF THE COUNTY'S CLASSIFICATION AND COMPENSATION PLANS AND
PROCEDURES**

I. BACKGROUND

The Merit System Protection Board prepared and released a Request for Proposal to audit the County's Classification and Compensation Plans and Procedures. After receipt and evaluation of several bid proposals, the Board selected Fox Lawson & Associates, LLC from Phoenix, AZ.

II. SCOPE AND PURPOSE OF AUDIT

The audit was to determine whether the present classification and compensation plans and procedures were being administered properly and fairly and were meeting the needs of the County and its managers to attract and retain a quality work force while assuring equitable treatment of employees at all levels.

III. SOME OF THE MAJOR CONCERNS OF THE BOARD WERE:

1. Are there more accurate and valid measurement systems to evaluate jobs, other than the use of the Qualitative Evaluation System and the Broad Banding System?
2. Is the County's pay schedule competitive with other local Governments in the Washington Metropolitan Area?
3. Are the regulations, administrative procedures, and policies being administered by Managers/Supervisors, and Human Resources personnel in the manner currently prescribed?

**IV. CONTRACTOR WILL REVIEW AND PROVIDE COMMENTS/
RECOMMENDATIONS ON THE DOCUMENTS AND FILES LISTED
BELOW:**

1. Qualitative Evaluation System
2. Classification and Compensation Plans
3. Administrative Procedures
4. Position Description Form
5. Individual position classification study files including class reallocations and class title changes to determine if established procedures have been followed
6. Special within-grade advancement request files
7. Class specifications for all occupational classes

V. AFTER TASK ORIENTATION MEETINGS WITH THE BOARD AND THE DIRECTOR, OHR, AND STAFF MEMBERS, THE CONTRACTOR PROCEEDED TO CONDUCT THE AUDIT IN THE FOLLOWING MANNER.

1. Conducted a Diagnostic Review of Class and Comp Systems
2. Reviewed all Classification Regulations, Procedures, Practices and Manuals
3. Analyzed the Systems Strengths, Weaknesses and Opportunities for Improvement by: Conducting Employee Focus Groups, Interviewing Management and Union Officials
4. Assessed the QES System
5. Conducted an in-dept file review

The Contractor tabulated and analyzed the data collected, prepared and presented a preliminary report, and met with the Board and representatives from the Office of Human Resources to discuss findings. Based upon comments, questions and suggestions voiced in this meeting, the Contractor prepared a final report which was received on December 18, 2000. The Board then forwarded a copy of the final report to the Office of Human Resources requesting their comments, which were received on January 22, 2001.

VI. FINDINGS AND RECOMMENDATIONS

The Contractor's Final Report contains extensive discussion and documentation. This report focuses on the specific recommendations, and the Board's views on those recommendations. Attached to this report are pages 1-36 of the Contractor's Final Report and a memorandum from the Office of Human Resources dated January 22, 2001, commenting on the final report.

CONTRACTOR ADMINISTRATIVE AND PROCEDURAL RECOMMENDATIONS

1.1 Modify the classification review process by enhancing the role of departmental Administrative Service Coordinators (ASC) in the evaluation process.

MSPB Comment: There appears to be little dispute with the notion that the ASC's have a significant role in the classification process, a recommendation that OHR not only supports, but notes that existing procedures encourage that role. The area of dispute in the Report recommendation that there be specific delegation of classification authority to ASC's for jobs unique to their respective departments, a recommendation that OHR disagrees with. While such delegation would reduce workload on OHR, thereby certainly speeding up the classification process, the Board is encouraged by OHR's current practice of maximizing input from the ASC's while centralizing the actual classification authority. The Board will therefore obtain periodic updates from OHR on their progress before endorsing the kind of delegation recommended by the Report.

- 1.2 Expand the use of automation in the classification process to include organizational charts, Position Profile Form (PPFs), administrative procedures, manuals, and other materials through the intranet.

MSPB Comment: The Board notes that OHR is currently utilizing the intranet and internet to provide information to employees, and appears committed to pursuing this approach. The Board will encourage OHR in such initiatives. However, the Report recommends a much more drastic approach, the adoption of “automated classification systems.” OHR’s response to this recommendation is that they have examined a number of such systems and found them “to be generally expensive and not easily adaptable to local government organizations.” Board Members’ experience is that “off-the-shelf” software is frequently not compatible with a particular system. Although the Contractor has significant experience with public employee personnel systems and says differently, the Board recommends that OHR determine what software will enhance the County’s current system and is not cost prohibitive.

- 1.3 Revise the records management system for positions Position Profile Form (PPF), reclassification files, reorganizations, etc. and for job classes (class and occupational series studies, QES evaluations, special studies, etc.) so that information is more accurately maintained and readily available.

MSPB Comment: OHR feels that maintaining position classification records by action/department/year is more useful than a system that follows the life of a position from creation to abolishment. OHR also has informed the Board that they have updated internal operating procedures covering classification action processing and record-keeping procedures and practices, and have centralized the processing of PPF’s, thereby improving the reliability and consistency of classification records content. Finally, we are advised by OHR that they have formulated a working group to study the overall classification record-keeping procedures and determine improvements. The Board understands the advantages of maintaining classification records by action/department/year, as urged by OHR. However, the Board intends to continue to monitor OHR’s activities in this area and seek to assure that the concerns reflected in the audit are addressed, even if the specific recommendation is not adopted.

- 1.4 Use Special Within Grade advancements more liberally for occupations and occupational series in short supply in the labor market.

MSPB Comment: Recruiting and retaining good employees is a challenge to most employers, therefore, the use of a reward(s) system will help the County to meet this challenge. The Board supports this recommendation, as does OHR, which has included in the proposed Personnel Regulations provisions allowing for Special Within-Grade pay increases to resolve pay inequity, as well as to retain employees assigned to

positions in occupational classes or groups that are difficult to attract or retain. The Board endorses this regulatory effort.

- 1.5 Develop a “marketing program” in concert with union officials to educate employees concerning the philosophy and operation of the classification and compensation system.

MSPB Comment: The Board endorses this recommendation, as does OHR, which is currently preparing an informational brochure on classification and compensation. The audit suggests that the development of materials geared to employees explaining the classification and compensation system could be beneficial in reducing the number of classification requests in the first instance, and in reducing the amount of explanation required in the reports of findings and conclusions. While the Board is not optimistic, it is hoped that there will be such a reduction, as classification review requests are viewed by employees as an appropriate tool to obtaining a promotion/more money. The Board does view it as very important that better information be made available to employees, and will seek from OHR regular assurances that they are proceeding with the effort to make additional information available to the County work force.

CONTRACTOR STRUCTURAL RECOMMENDATIONS

- 2.1 Fully implement the Management Leadership Service (MLS) and expand coverage to jobs below grade 30.

MSPB Comment: Actions consistent with this recommendation are already underway. OHR, which endorses this recommendation, has submitted proposed legislation to the Council to add Band III to the MLS, which will include employees in grades 27-29. If approved by the Council, the proposed effective date for an expansion is July 1, 2001.

- 2.2 Expand the use of “budget level” series where applicable.

MSPB Comment: The Board strongly endorses this recommendation. OHR’s comments to the Board sets forth the history of their advocacy and use of budget level series, plus plans for expanding the creation and use of broad generic occupational class series throughout the County.

CONTRACTOR QUALITATIVE EVALUATION SYSTEM RECOMMENDATIONS

- 3.1 Simplify the QES system by consolidating redundant factors and by clarifying ambiguous factor definitions.

MSPB Comment: This is a very complex recommendation, and addresses the real intricacies of the classification system. OHR agrees that the QES II needs modification to simplify and refine the descriptions of factors and degrees to tighten the system’s

validity and reliability. However, OHR takes strong exception to the audit's altered job evaluation criteria. The Board does not endorse this audit recommendation. Recognizing the natural tendency to maintain the status quo because of the difficulty inherent in making the type of significant change recommended by the Report, we will continue to explore with OHR ways to address the concerns identified by the auditors.

3.2 Improve the reliability and consistency and reduce the complexity of QES factoring by using multiple, independent raters to evaluate the same job.

MSPB Comment: The Board does not endorse this recommendation. We share with OHR the view that the benefits of such a procedure or speculative, and would not justify the increases in time and resources that would be required. Using multiple independent raters for the same position, and thereafter developing some sort of committee product is clearly a very cumbersome process, particularly in the absence of evidence that there is a problem with the competency of the existing rating system.

3.3 Collect and analyze market data when conducting job evaluations and grade jobs after consideration of both QES evaluations and market factors.

MSPB Comment: The Board endorses this recommendation, but recognizes that the County, and the public sector generally, must consider factors other than the results of salary surveys. OHR's response discusses the recent history of the collection and use of market data, and the current practices. While the Board will continue to monitor these practices, we are satisfied that the current practice is consistent with the audit recommendation.

VII. MSPB OVERALL OBSERVATIONS/COMMENTS

The audit has provided the Board and Council with valuable information on the operation of the County classification compensation plans and procedures. The report provides information on what the auditors viewed as strengths and weaknesses. The Report reflects that OHR is administering the classification regulations, policies and procedures as currently prescribed. OHR shares with us agreement on most of the recommendations made by the auditors, and OHR has indicated their commitment to addressing problem areas, an effort that the Board will be monitoring. The Board offers no recommendations which would require Council to regulate a change in the existing system. However, some current initiatives by OHR to enhance the system may require a regulatory change in the future.

NOTE: The Board reviewed OLO Report 2001-4 titled "An Overview of the Hiring Process in County Government". The Board is also aware of the Classification Study conducted by Arthur Anderson of Information Technology positions in the County.

Worksession

MEMORANDUM

May 1, 2009

TO: County Council

FROM: Susan J. Farag, Legislative Analyst *SJK*

SUBJECT: FY10 Operating Budget
Merit System Protection Board

Summary of Management and Fiscal Policy Committee Recommendations

The Management and Fiscal Policy Committee held worksessions on the Merit System Protection Board (MSPB) FY10 operating budget on April 16. **The Committee recommended approval of the budget as submitted by the Executive (2-0, Councilmember Andrews absent).** Discussion focused on the fact that the MSPB will assume certain functions from the Montgomery Fire and Rescue Commission, including appeals made by volunteer firefighters and rescue workers, possibly resulting in unanticipated expenses. In addition, the MSPB requested that the FY10 audit of the County's Classification and Compensation Plans and Procedures be postponed due to fiscal constraints. The Committee approved the request to postpone the audit until FY11, but requested a memo from MSPB outlining more detail about the last audit conducted in 2001.

Overview

For FY10, the Executive recommends total expenditures of \$159,960 for the Merit System Protection Board (MSPB), a 2.9% increase from the FY09 approved budget.

	FY 08 Actual	FY09 Approved	FY10 CE Recommended	% Change FY09-10
Expenditures				
General Fund	\$143,904	\$155,460	\$159,960	2.9%
Grant Fund	\$0	\$0	\$0	
Total Expenditures	\$143,904	\$155,460	\$159,960	2.9%
Positions:				
Full Time				
Part Time	2	2	2	0.0%
Total Positions	2	2	2	0.0%
Workyears	1.0	1.0	1.0	0.0%

The Executive recommends no changes in full- or part-time positions.

The FY10 CE recommendation is an increase of \$4,500. This increase comes from the following identified same services adjustments.

Identified Same Services Adjustments	
Increase Cost: Annualization of FY09 Personnel Costs	\$2,500
Increase Cost: Group Insurance Adjustment	\$1,040
Increase Cost: Annualization of FY09 Operating Expenses	\$500
Increase Cost: Retirement Adjustment	\$350
Increase Cost: Printing and Mail Adjustments	\$110
Total Increase:	\$4,500

The Executive's recommendation for the MSPB is attached at ©1-2.

The Merit System Protection Board is composed of three members who are appointed by the County Council. Members of the Board conduct worksessions and hearings in the evenings as required, and are compensated with a set annual salary as prescribed by law. The Board is supported with a part-time Executive Secretary and part-time Principal Administrative Aide.

FY10 Expenditure Issues

Assumption of Fire and Rescue Commission Duties

Bill 38-08 (effective August 1, 2009; relevant sections attached at ©3-5) abolishes the Fire and Rescue Commission which, among its other duties, must hear and decide appeals filed by volunteer firefighters or rescuers.¹ Instead, the MSPB will assume these duties, providing

¹ Bill 38-08 abolishes the Fire and Rescue Commission and creates the Fire and Emergency Services Commission, which will perform some similar functions.

hearings and dispositions of aggrieved volunteers as if they were County merit system employees.

Transcript costs are a major component of hearing expenses, as well as a significant part of the MSPB's total operating costs. Since the number of hearings is difficult to project, transcript costs may vary significantly in any given fiscal year. The MSPB states that for each full day of a hearing, transcript costs are about \$1,000. The CE recommended budget allots \$6,000 for FY10, the same amount as in the approved FY09 budget. Depending on the number of additional appeals that the MSPB could be required to hear as a result of its new duties, expenditures could increase.

Fire and Rescue Commission staff indicate that there have not been any appeals made by volunteers since 2005 that would fall under the Commission's jurisdiction. Prior to that, the Commission handled about 14 appeals in a three year period. Each appeal varied, from two meetings in one case to 8-10 meetings in extremely complicated cases. Commission staff state that since the Fire Chief (as opposed to the former Fire Administrator position) assumed responsibility for all administrative and operational activities of the Fire & Rescue Service, there have not been any appeals filed. Given the history of appeals, any new appeals during FY10 are unlikely. If even one is filed with the MSPB, however, its expenditures could significantly exceed its appropriation.

Other Hearing Costs

As noted above, transcript costs are a significant portion of the MSPB's overall operating expenses. The MSPB obtains transcript services that are provided under a County contract, and pays \$3.60 per printed page. This cost provides two copies of official transcripts as well as a CD of hearings and investigations conducted by the board.

In FY09, the MSPB has spent about \$2,300 of its \$6,000 appropriation. For the remainder of the fiscal year, the MSPB expects three additional hearings. One hearing is expected to last two or three days, which will put the MSPB over its appropriated amount for transcript services in FY09. The MSPB expects to be able to absorb these costs if the hearings do not last longer than expected.

While the MSPB should be able to cover currently-anticipated additional costs during FY09, MSPB generally has little leeway in its budget to absorb unforeseen costs. Council staff will monitor the MSPB expenditures throughout the fiscal year to determine whether costs increase significantly.

Personnel Costs

Personnel costs comprise 88.6% of the budget for two part-time positions for one workyear. The staffing complement has not changed over the past three fiscal years, and there are no proposed changes for FY10. Operating expenses account for the remaining 11.4% of the FY10 budget.

Budget Overview

	Approved FY09	Rec FY10	\$ Change FY09-10	% Change FY09-10
Personnel	\$137,760	\$141,650	\$3,890	2.8%
Operating Expenses	\$17,700	\$18,310	\$610	3.4%
Total:	\$155,460	\$159,960	\$4,500	2.9%

Approximately 87% of the proposed increase in the budget is related to technical adjustments in areas such as compensation and benefits for existing employees. No new staff increases are recommended.

FY10 Classification and Compensation Plans Audit

The County's Personnel Regulations require the MSPB to "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" once every five years.² The regulations authorize the MSPB to postpone the audit if approved by the Council.

The audit has been postponed several times in recent years. The last audit was dated April 25, 2001, and found that the Office of Human Resources was administering the classification regulations, policies, and procedures in the prescribed manner. The next audit was to be performed in FY05. On May 4, 2004 the Council approved Resolution No. 15-592, which approved deferral of the audit until FY08. On May 14, 2007 the Council approved resolution 16-193, which postponed the audit until FY10.

The MSPB is again requesting a postponement of the audit, which is projected to cost about \$155,000. In a memo dated December 3, 2008 to the Office of Management and Budget (attached at ©6), the MSPB Chairperson advised that the board does not have any information indicating there is "any immediate need to conduct such an audit." No funding is included in the CE Recommended FY10 budget for the audit.

A draft resolution postponing the audit until FY11 is attached at ©7-8. If the Council prefers to proceed with the audit as scheduled, funding for the audit must be added to the Board's budget. This would not prevent the MSPB from requesting a supplemental appropriation if the MSPB finds that an audit would require additional funding.

<u>This packet contains:</u>	©
FY10 Recommended Budget for MSPB	1-2
Bill 38-08, Relevant Sections	3-5
MSPB Memo to OMB, Requested Postponement of Audit	6
Draft Resolution	7-8
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² Code of Montgomery County Regulations (COMCOR) §33.07.01.09-3(h)(2)(A).

Merit System Protection Board

MISSION STATEMENT

The mission of the Merit System Protection Board is to oversee the merit system and protect employee and job applicant rights guaranteed under the merit system law.

BUDGET OVERVIEW

The total recommended FY10 Operating Budget for the Merit System Protection Board is \$159,960, an increase of \$4,500 or 2.9 percent from the FY09 Approved Budget of \$155,460. Personnel Costs comprise 88.6 percent of the budget for no full-time positions and two part-time positions for one workyear. Operating Expenses account for the remaining 11.4 percent of the FY10 budget.

LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

❖ *A Responsive, Accountable County Government*

PROGRAM CONTACTS

Contact Kathleen Taylor of the Merit System Protection Board at 240.777.6620 or Helen Vallone of the Office of Management and Budget at 240.777.2755 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Merit System Oversight

The Merit System Protection Board oversees the merit system and protects employee and job applicant rights guaranteed under the merit system; conducts or authorizes periodic audits of the classification system; comments on any proposed changes in the merit system law or regulations; reviews the need to amend laws or regulations; and adjudicates appeals from grievances, removals, demotions, and suspensions upon request of the employee. Personnel Management Oversight includes investigations, audits, or special studies of all aspects of the merit system. The Board publishes an annual report and convenes an annual public forum on personnel management issues.

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BUDGET SUMMARY

	Actual FY08	Budget FY09	Estimated FY09	Recommended FY10	% Chg Bud/Ref
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	100,574	103,560	104,610	106,010	2.4%
Employee Benefits	31,416	34,200	34,690	35,640	4.2%
County General Fund Personnel Costs	131,990	137,760	139,300	141,650	2.8%
Operating Expenses	11,914	17,700	12,640	18,310	3.4%
Capital Outlay	0	0	0	0	—
County General Fund Expenditures	143,904	155,460	151,940	159,960	2.9%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	2	2	2	2	—
Workyears	1.0	1.0	1.0	1.0	—

FY10 RECOMMENDED CHANGES

	Expenditures	WYs
COUNTY GENERAL FUND		
FY09 ORIGINAL APPROPRIATION	155,460	1.0
Other Adjustments (with no service impacts)		
Increase Cost: Annualization of FY09 Personnel Costs	2,500	0.0
Increase Cost: Group Insurance Adjustment	1,040	0.0
Increase Cost: Annualization of FY09 Operating Expenses	500	0.0
Increase Cost: Retirement Adjustment	350	0.0
Increase Cost: Printing and Mail Adjustments	110	0.0
FY10 RECOMMENDED:	159,960	1.0

FUTURE FISCAL IMPACTS

Title	CE REC.					
	FY10	FY11	FY12	FY13	FY14	FY15
(5000's)						
This table is intended to present significant future fiscal impacts of the department's programs.						
COUNTY GENERAL FUND						
Expenditures						
FY10 Recommended	160	160	160	160	160	160
No inflation or compensation change is included in outyear projections.						
Subtotal Expenditures	160	160	160	160	160	160

② 15

349 extend, or modify the impoundment of funds, consistent with the
 350 Chief's finding of whether the local fire and rescue department has
 351 complied with the County law, regulation, or policy.

352 (d) The County Attorney, with the approval of the County Executive, may
 353 take any legal action necessary to assist the Fire Chief [and the
 354 Commission] in enforcing this Chapter and all other applicable laws,
 355 regulations, and policies concerning fire and rescue services in the
 356 County.

357 * * *

358 **21-7. Appeals of certain disciplinary actions.**

359 (a) *Jurisdiction.* Except as provided in subsection (g), the [Commission]
 360 Merit System Protection Board must hear and decide each appeal filed
 361 by a volunteer firefighter or rescuer aggrieved by an adverse final action
 362 of the Chief or a local fire and rescue department involving the removal,
 363 demotion, or suspension of, or other disciplinary action applied
 364 specifically to, that individual as if the individual were a County merit
 365 system employee.

366 (b) *Filing Appeals.* Any party covered by this Section may appeal the
 367 action within 30 days after the action unless another law or regulation
 368 requires that an appeal be filed sooner. An appeal must not stay the
 369 disputed action.

370 (c) *Procedures.* The [Commission] Executive by regulation must establish
 371 procedures for hearing and deciding appeals under this Section. The
 372 regulation must specify which categories of appeals may be heard by a
 373 hearing examiner or otherwise must be decided on the basis of a written
 374 record. The [Commission] Merit System Protection Board must hear an
 375 appeal if it complies with all applicable [Commission] procedures. If

376 the [Commission] Board receives more than one appeal involving the
377 same individual personnel action, the [Commission] Board must
378 consolidate the appeals.

379 (d) *Subpoenas.* The chair of the [Commission] Merit System Protection
380 Board or a hearing examiner considering the case may issue a subpoena
381 for the attendance of a witness and the production of any document, and
382 may administer oaths, in any proceeding. The [Commission] Board or
383 any party to the proceeding may file a petition with any court with
384 jurisdiction to enforce a subpoena as provided by law for the
385 enforcement of subpoenas in a civil action. All provisions of law that
386 compel a person under subpoena to testify apply to proceedings under
387 this Chapter.

388 (e) *Depositions.* When relevant to any proceeding and for use as evidence,
389 the [Commission] Merit System Protection Board or a hearing examiner
390 considering the case may allow a party to depose a witness in the
391 manner and on the terms designated by the [Commission] Board or
392 hearing examiner if:

- 393 (1) the witness cannot be subpoenaed; or
394 (2) the witness cannot attend a hearing.

395 (f) *Appeals of [Commission] Board decisions.* [Except as provided in
396 subsection (g), a volunteer at a local fire and rescue department may
397 appeal a decision of the Commission concerning a specific personnel
398 action, or the failure to take any such action, to the Merit System
399 Protection Board as if the appellant were a County merit system
400 employee.] Any aggrieved party may appeal the decision of the Board
401 to any court with jurisdiction under the rules governing appeals from

402 administrative agencies, and may appeal any adverse decision of that
403 court to the Court of Special Appeals.

404 (g) *Exceptions.* This Section does not apply to, and the [Commission]
405 Board must not consider an appeal of, a personnel matter subject to an
406 employee grievance procedure[:

- 407 (1)] under a collective bargaining agreement[;
- 408 (2) under County personnel laws and regulations; or
- 409 (3) otherwise subject to a complaint or appeal to the Merit System
410 Protection Board].

411 **21-8. Integrated Emergency Command Structure.**

412 (a) The County Executive[, after receiving Commission approval under
413 Section 21-2(d)(4)], after receiving Commission approval under Section
414 21-2(d)(4), must adopt by regulation an Integrated Emergency
415 Command Structure (IECS) that is consistent with the National Incident
416 Management System and applies to all IECS certified providers of fire,
417 rescue and emergency medical services, on all emergency incidents.
418 The Chief regularly must review the IECS regulation and propose
419 amendments as necessary.

420 * * *

421 **21-8A. Standardized Incident Management System.**

422 (a) The County Executive must establish by regulation[, after receiving
423 Commission approval under Section 21-2(d)(4),] after receiving
424 Commission approval under Section 21-2(d)(4), a Standardized Incident
425 Management System that is:

426 * * *



MERIT SYSTEM PROTECTION BOARD
MEMORANDUM

December 3, 2008

TO: Joseph F. Beach, Director
Office of Management and Budget

FROM: Charia Lambertsen, Chairperson
Merit System Protection Board

SUBJECT: MSPB FY 10 Budget Submission

By separate correspondence, staff is forwarding to you two binders containing the Merit System Protection Board's (Board's) budget submission for FY 10. We note that in the FY 10 Department MARC provided to the Board, \$155,000 had been set aside for the Classification and Compensation Plans Audit in FY 10.

While the Board is aware that this audit has been postponed for several years due to budget shortfalls, given the projected fiscal situation facing the County for FY 10, and the fact that a study would cost considerably more than the monies allotted, the Board has determined that it would not be prudent to expend funds on an audit of the County's Classification and Compensation Plans at this time. The Board notes that it has no information indicating there is any immediate need to conduct such an audit. The last audit, dated April 25, 2001, found that the Office of Human Resources was administering the classification regulations, policies and procedures in accordance with the merit system. Accordingly, the Board's FY 10 budget submission does not contain any request for funding for the FY 10 audit. Should you have any questions concerning the Board's submission, please feel free to call the Board's Executive Secretary at (240) 777-6620.

cc: Management and Fiscal Policy Committee

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