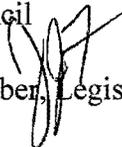


Introduction

MEMORANDUM

June 10, 2010

TO: County Council

FROM: Justina J. Ferber,  Legislative Analyst

SUBJECT: Resolution to Postpone Merit System Protection Board
Classification and Compensation Plan and Procedures Audit Until 2013

The 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.” This audit has been postponed several times as a budget cost savings and more recently until FY11. The last audit that was performed in April 2001 found that the Office of Human Resources was administering the classification, regulations, policies and procedures in the prescribed manner.

The Council received a request from the MSPB to postpone the FY11 Classification and Compensation Audit until the County’s budget situation improves. The Board advises that it does not have any information indicating there is “any immediate need to conduct such an audit.” No funding was included in the FY11 recommended budget for the audit. County regulations authorize the MSPB to postpone the audit if approved by the Council.

During FY11 budget deliberations, the Council supported the Management and Fiscal Policy Committee recommendation to postpone the Classification and Compensation Audit until FY13.

Introduction: Resolution to postpone the Classification and Compensation Audit until FY13.

Attachments: Resolution Postponing the Classification and Compensation Audit until FY13 ©1
MSPB Letter re Postponement of Classification & Compensation Audit ©3
Resolution 16-997 – Postponement of FY10 Audit to FY11 ©4

Resolution No.: _____
Introduced: _____
Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: County Council

Subject: Postponement of FY11 Audit of the Montgomery County Classification and Compensation Plan 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 adopted Resolution No. 15-592, which approved deferral of the audit until FY08.
5. On June 19, 2007, at the request of the MSPB, the Council adopted Resolution 16-193, which approved deferral of the audit until FY10.
6. On June 16, 2009, at the request of the MSPB, the Council adopted Resolution 16-997, which approved deferral of the audit until FY11.

7. By memorandum dated April 1, 2010, Rodella Berry, MSPB Chairperson, requested a deferral of the FY11 audit until the County's budget situation improves and noted there is no information indicating there is an immediate need to conduct the audit.
8. On May 10, 2010, the Council agreed with the recommendation of the Management and Fiscal Policy Committee to postpone the audit until FY13.

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 FY13, 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
MEMORANDUM

April 1, 2010

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

FROM: Rodella E. Berry, Chairperson
Merit System Protection Board

SUBJECT: Postponement of FY11 Classification and Compensation Audit

As you are aware, the Code of Montgomery County Regulations, §33.07.01.09(g)(2)(A), requires that at least once every five years, the Merit System Protection Board (Board) must have a consultant, who is a specialist in the field and independent of the County Government, conduct an audit of the County's entire classification and compensation plan and procedures. While this audit has already been postponed for several years, given the enormous County budget shortfall projected for FY11, the Board has determined that it would not be prudent to expend funds on an audit of the County's classification and compensation plans in the coming fiscal year.

The Board 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 recommends that the Council postpone the audit until the County's budget situation improves.

Should you have any questions concerning the Board's position, please feel free to call the Board's Executive Director at (240) 777-6620.

Resolution No.: 16-997
Introduced: June 9, 2009
Adopted: June 16, 2009

**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.

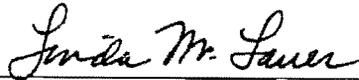
7. On April 16, 2009 the Management and Fiscal Policy Committee recommended MSPB postpone the audit until FY11.

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