

# Human Resources

## MISSION STATEMENT

To provide a proactive and responsive human resources program that attracts, develops, and retains a diverse, high-performing, and well-qualified workforce.

## BUDGET OVERVIEW

The total approved FY15 Operating Budget for the Office of Human Resources is \$212,031,608, an increase of \$5,684,568 or 2.8 percent from the FY14 Approved Budget of \$206,347,040. Personnel Costs comprise 3.4 percent of the budget for 70 full-time positions and six part-time positions, and a total of 66.45 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 96.6 percent of the FY15 budget.

The Office of Human Resources Budget is comprised of a General Fund component of \$7,778,639 and a Employee Health Benefit Self Insurance Fund component of \$204,252,969.

## 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**

## DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY14 estimates reflect funding based on the FY14 approved budget. The FY15 and FY16 figures are performance targets based on the FY15 approved budget and funding for comparable service levels in FY16.

Measure	Actual FY12	Actual FY13	Estimated FY14	Target FY15	Target FY16
<b>Multi-Program Measures</b>					
Average customer satisfaction rating on the yearly internal customer survey of County managers <sup>1</sup>	2.78	3.00	3.00	3.00	3.00
Percentage of grievances resolved before reaching third party neutral	85	94	90	90	90

<sup>1</sup> The satisfaction scale ranges from low (1) to high (4).

## ACCOMPLISHMENTS AND INITIATIVES

- ❖ **Engage in a cross-agency consolidated healthcare study to identify and analyze the health data for all County agencies as a way to leverage and develop a strategic approach to managing the cost of the County Agencies' healthcare programs. The data will also be used by the County Government to develop and maintain a dynamic, comprehensive, data driven wellness program.**
- ❖ **Awarded \$20,000 Innovation Grant for Disability Employment Initiatives to be used towards marketing and outreach.**
- ❖ **Received two prestigious awards from Local Government Personnel Association (LGPA) in the category of "Best and the Brightest Team" and from National Association of Counties (NACO) in the category of "County Administration and Management" for OHR's Rewarding Excellence program.**
- ❖ **Received Public Sector Employer of Year Award by Maryland Works.**
- ❖ **Implemented new Conflict Facilitation Process (CFP) for MCGEO bargaining unit.**
- ❖ **Negotiated new collective bargaining agreement with Montgomery County Volunteer Fire and Rescue Association (MCFVRA).**

- ❖ **Created a Health Insurance Customer Care Center, where customers can receive private counseling and protected health information, located in a secure, separate area of OHR.**
- ❖ **Implemented noncompetitive hiring process for people with disabilities in June 2013 under Executive Regulation No. 1-13 and hired nine individuals into County merit positions.**
- ❖ **Implemented the new Sick Leave Bank for MCGEO bargaining unit employees.**
- ❖ **Implemented a contract award for Data Warehousing, Wellness, and Disease Management, which provides additional resources and data aggregation for the County's Wellness program.**
- ❖ **Developing automated assessment tool to streamline and expedite job application rating process toward goal of decreasing time to fill positions.**
- ❖ **Currently working with County Attorney's Office to develop a background investigation process.**
- ❖ **Developing mandatory training program for job application raters.**
- ❖ **Productivity Improvements**
  - **OHR is leading five Rewarding Excellence/Gainsharing teams from the Department of Environmental Protection, the Department of General Services, and the Department of Transportation. These teams have generated and implemented proposals that produce savings of approximately \$654,000 per year.**
  - **The online Open Enrollment system is now available for all County employees, retirees, and participating agency employees, which allows for 24/7 instant access to make elections and receive immediate confirmation of health insurance elections and premiums.**

## PROGRAM CONTACTS

Contact Jennifer Shovlin of the Office of Human Resources at 240.777.5039 or Corey Orlosky of the Office of Management and Budget at 240.777.2762 for more information regarding this department's operating budget.

## PROGRAM DESCRIPTIONS

### Director's Office

The Director's Office is responsible for human resources policy development and planning; the administration of human resources programs; ensuring the integrity of the merit system; and directing the design and implementation of new initiatives to better serve customers and improve organizational performance. The team also provides direct customer service at the main reception area. The Information Technology team provides management and oversight to the Department's information technology initiatives.

<b>FY15 Approved Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY14 Approved</b>	<b>1,091,760</b>	<b>6.65</b>
Increase Cost: Printing and Mail	2,821	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	-1,064	-0.25
<b>FY15 Approved</b>	<b>1,093,517</b>	<b>6.40</b>

### Business Operations and Performance

The Business Operations and Performance division is comprised of the Classification and Compensation, Records Management, Workforce Performance, and Administration teams. The Classification and Compensation team reviews and evaluates the duties and responsibilities of individual positions and occupational classes in response to employee, department, and union requests in order to assure that positions are correctly assigned at comparable grade levels. This program also ensures that employees are accurately and appropriately compensated through technical analysis and equitable application of compensation systems and procedures. The team designs compensation plans and provides leadership to departments on performance-based pay. The Classification and Compensation team is also responsible for oversight and administration of the County's policies on compensation.

Workforce performance consists of the Rewarding Excellence and Performance Management team. Rewarding Excellence is a process that encourages mentors, coaches, and front-line employees to work together as a team for the betterment of Montgomery County Government. Teams develop and implement recommendations for improvement. When cost savings are realized, employees receive a portion of the cost savings in the form of a bonus. Performance management is a continuous process, which includes creating performance appraisals, observing and documenting performance and behavior, providing feedback, coaching and

mentoring, and finally, evaluating employees. In addition to personal accomplishments and gratification, an employee's achievement of his/her performance management goals may result in pay-for-performance rewards. OHR facilitates these performance management processes through customer service, training, forms, and information technology system, Workforce Performance Management. The ultimate goal is to help employees and supervisors achieve Montgomery County's overall vision of efficient, effective, innovative, and responsive delivery of quality services. In addition, this team facilitates the creation and management of tactical and strategic metrics in OHR.

The Records Management team is responsible for establishing and maintaining personnel records that are required by law and/or necessary for the administration of the merit system. The team enters data for the position into Enterprise Resource Planning (ERP) Human Resources System and other ERP systems, so that an employee's paycheck can be generated. The Administration team provides management and oversight to office procurements and contracts, budget preparation and administration, and financial management of the employee health benefits. The team also remits payments to benefit program carriers and third party administrators, approves invoices, and remits bills to employees and retirees as necessary.

<b>FY15 Approved Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY14 Approved</b>	<b>1,555,125</b>	<b>15.85</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	221,200	0.65
<b>FY15 Approved</b>	<b>1,776,325</b>	<b>16.50</b>

### **Change Management, Training, and Organizational Development**

The team promotes collaboration, competence, and organizational effectiveness through leadership, workforce development, succession planning, and change management. The goal of the team is to ensure an organizational framework that is designed to lead Countywide change efforts for improved organizational effectiveness and strategic intervention. The team leads and facilitates a strategic business effort to align training/organizational development, organizational effectiveness, and change management with the County's objectives and desired outcomes. The team designs short and long term business strategies to create required professional competencies, organizational performance and effectiveness, and champions organizational change efforts to support the County's objectives. The team establishes strong and credible relationships with management and employees to successfully build trust, collaboration, and integrity.

<b>Program Performance Measures</b>	<b>Actual FY12</b>	<b>Actual FY13</b>	<b>Estimated FY14</b>	<b>Target FY15</b>	<b>Target FY16</b>
Customer satisfaction with training: Percentage who found training helpful to job	92	92	92	92	92

<b>FY15 Approved Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY14 Approved</b>	<b>995,164</b>	<b>5.05</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	32,446	0.00
<b>FY15 Approved</b>	<b>1,027,610</b>	<b>5.05</b>

### **Selection and Recruitment**

The Recruitment and Selection team is responsible for attracting, hiring, promoting and retaining candidates for County departments and agencies resulting in a highly skilled, competent, and diverse workforce. The team engages in a wide variety of outreach activities designed to ensure quality and diversity in the candidate population such as providing recruitment planning, guidance and advisory services to departments and agencies on selection and hiring, conducts new employee orientation, administers reductions-in-force, designs and administers public safety promotional examinations and other employment tests, administers the County's internship, fellowship and volunteer programs, administers and manages the County's Disability Employment Initiative, and provides Selection Guidelines Training on Interviewing and Selecting Employees.

<b>Program Performance Measures</b>	<b>Actual FY12</b>	<b>Actual FY13</b>	<b>Estimated FY14</b>	<b>Target FY15</b>	<b>Target FY16</b>
Average number of days to fill a vacant County position	84	90	84	84	84
Average satisfaction of departments with pools of candidates for positions, based on a survey of hiring managers <sup>1</sup>	4.45	4.51	4.45	4.45	4.45

<sup>1</sup> The satisfaction scale ranges from low (1) to high (5).

<b>FY15 Approved Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY14 Approved</b>	<b>1,366,229</b>	<b>10.40</b>
Decrease Cost: Disability Employment Initiative - Funding for Project SEARCH Interns included in Department Budgets	-75,000	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	-31,374	0.00
<b>FY15 Approved</b>	<b>1,259,855</b>	<b>10.40</b>

### **Labor and Employee Relations**

Employee Relations consists of two teams: Labor and Employee Relations and Equal Employment Opportunity and Diversity Management.

The Labor and Employee Relations team is designed to support County managers in the areas of collective bargaining and related personnel policies and procedures by negotiating competitive compensation and benefits. The Labor and Employee Relations team participates in collective bargaining, provides early intervention strategies for workplace disputes to ensure that managers comply with contractual and legal requirements, and improves employee labor relations.

The Equal Employment Opportunity (EEO) and Diversity Management team provides assistance, guidance, and training to employees and managers concerning equal employment and diversity management to promote a discrimination free workplace that values diversity. The team also investigates complaints of harassment and discrimination by and against employees. The team is responsible for the production of the annual EEO and Diversity Action Plan and maintaining compliance with other Federal EEO-related reporting requirements and statistical analysis.

<b>FY15 Approved Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY14 Approved</b>	<b>1,557,040</b>	<b>10.00</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	60,080	0.00
<b>FY15 Approved</b>	<b>1,617,120</b>	<b>10.00</b>

### **OHR Health and Employee Welfare Division**

The Health Insurance Team manages and administers the County's health and welfare plans in accordance with County policy and local, state and federal laws. In addition to maintaining operations associated with annual Open Enrollment and program eligibility, the team provides customer service, communications, education, and counseling to County employees, participating County agency employees, and retirees in a manner that ensures an understanding of program provisions and their value as part of total compensation.

The Wellness Program coordinates wellness activities such as health screenings, educational seminars, health education classes, employee incentive programs and contests through communication channels such as web, social media, and a monthly newsletter. The Program uses a dynamic, comprehensive data driven strategy to promote employee health and wellness.

The Occupational Medical Services Team (OMS) provides multi-disciplinary occupational medical services such as work-related medical and safety hazard assessments to promote the health, wellness, and productivity of the County workforce. OMS also administers the County's drug and alcohol and centralized Family and Medical Leave programs.

The Stress Management team promotes the emotional, mental, and physical well-being of Montgomery County Police Department employees and their family members through counseling, training, consultation services, and peer support.

<b>FY15 Approved Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY14 Approved</b>	<b>199,781,722</b>	<b>18.55</b>
Increase Cost: Adjustment to Insurance Claims and Administration	5,425,602	0.00
Add: Consolidated cross-agency health data study	40,000	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	9,857	-0.45
<b>FY15 Approved</b>	<b>205,257,181</b>	<b>18.10</b>

## BUDGET SUMMARY

	Actual FY13	Budget FY14	Estimated FY14	Approved FY15	% Chg Bud/App
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	3,918,132	3,644,122	4,107,143	3,786,238	3.9%
Employee Benefits	1,122,486	1,134,529	1,249,807	1,236,791	9.0%
<b>County General Fund Personnel Costs</b>	<b>5,040,618</b>	<b>4,778,651</b>	<b>5,356,950</b>	<b>5,023,029</b>	<b>5.1%</b>
Operating Expenses	2,189,093	2,877,789	2,565,592	2,755,610	-4.2%
Capital Outlay	0	0	0	0	—
<b>County General Fund Expenditures</b>	<b>7,229,711</b>	<b>7,656,440</b>	<b>7,922,542</b>	<b>7,778,639</b>	<b>1.6%</b>
<b>PERSONNEL</b>					
Full-Time	68	68	68	70	2.9%
Part-Time	6	6	6	6	—
FTEs	44.30	46.25	46.25	45.60	-1.4%
<b>REVENUES</b>					
Investment Income	3,820	0	0	0	—
<b>County General Fund Revenues</b>	<b>3,820</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>EMPLOYEE HEALTH BENEFIT SELF INSURANCE FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	1,348,438	1,552,471	1,457,100	1,658,928	6.9%
Employee Benefits	335,911	461,563	362,800	491,873	6.6%
<b>Employee Health Benefit Self Insurance Fund Pers. Costs</b>	<b>1,684,349</b>	<b>2,014,034</b>	<b>1,819,900</b>	<b>2,150,801</b>	<b>6.8%</b>
Operating Expenses	179,742,021	196,676,566	184,907,230	202,102,168	2.8%
Capital Outlay	0	0	0	0	—
<b>Employee Health Benefit Self Insurance Fund Exp.</b>	<b>181,426,370</b>	<b>198,690,600</b>	<b>186,727,130</b>	<b>204,252,969</b>	<b>2.8%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	16.15	20.25	20.25	20.85	3.0%
<b>REVENUES</b>					
Investment Income	10,802	0	0	0	—
Medicaid/Medicare Reimbursement	2,084,873	0	0	0	—
Self Insurance Employee Health Income	10,461,671	192,432,260	187,172,672	194,269,903	1.0%
Other Charges/Fees	3,544,028	0	0	0	—
<b>Employee Health Benefit Self Insurance Fund Revenues</b>	<b>16,101,374</b>	<b>192,432,260</b>	<b>187,172,672</b>	<b>194,269,903</b>	<b>1.0%</b>
<b>DEPARTMENT TOTALS</b>					
<b>Total Expenditures</b>	<b>188,656,081</b>	<b>206,347,040</b>	<b>194,649,672</b>	<b>212,031,608</b>	<b>2.8%</b>
<b>Total Full-Time Positions</b>	<b>68</b>	<b>68</b>	<b>68</b>	<b>70</b>	<b>2.9%</b>
<b>Total Part-Time Positions</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>—</b>
<b>Total FTEs</b>	<b>60.45</b>	<b>66.50</b>	<b>66.50</b>	<b>66.45</b>	<b>-0.1%</b>
<b>Total Revenues</b>	<b>16,105,194</b>	<b>192,432,260</b>	<b>187,172,672</b>	<b>194,269,903</b>	<b>1.0%</b>

## FY15 APPROVED CHANGES

	Expenditures	FTEs
<b>COUNTY GENERAL FUND</b>		
<b>FY14 ORIGINAL APPROPRIATION</b>	<b>7,656,440</b>	<b>46.25</b>
<b>Changes (with service impacts)</b>		
Add: Consolidated cross-agency health data study [OHR Health and Employee Welfare Division]	40,000	0.00
<b>Other Adjustments (with no service impacts)</b>		
Increase Cost: FY15 Compensation Adjustment	216,774	0.00
Increase Cost: Retirement Adjustment	14,113	0.00
Increase Cost: Group Insurance Adjustment	8,731	0.00
Increase Cost: Printing and Mail [Director's Office]	2,821	0.00
Decrease Cost: Disability Employment Initiative - Funding for Project SEARCH Interns included in Department Budgets [Selection and Recruitment]	-75,000	0.00
Decrease Cost: Annualization of FY14 Personnel Costs	-85,240	-0.65
<b>FY15 APPROVED:</b>	<b>7,778,639</b>	<b>45.60</b>

	Expenditures	FTEs
<b>EMPLOYEE HEALTH BENEFIT SELF INSURANCE FUND</b>		
<b>FY14 ORIGINAL APPROPRIATION</b>	<b>198,690,600</b>	<b>20.25</b>
<b>Other Adjustments (with no service impacts)</b>		
Increase Cost: Adjustment to Insurance Claims and Administration [OHR Health and Employee Welfare Division]	5,425,602	0.00
Increase Cost: FY15 Compensation Adjustment	74,116	0.00
Increase Cost: Annualization of FY14 Personnel Costs	56,948	0.60
Increase Cost: Group Insurance Adjustment	3,857	0.00
Increase Cost: Retirement Adjustment	1,846	0.00
<b>FY15 APPROVED:</b>	<b>204,252,969</b>	<b>20.85</b>

## PROGRAM SUMMARY

Program Name	FY14 Approved		FY15 Approved	
	Expenditures	FTEs	Expenditures	FTEs
Director's Office	1,091,760	6.65	1,093,517	6.40
Business Operations and Performance	1,555,125	15.85	1,776,325	16.50
Change Management, Training, and Organizational Development	995,164	5.05	1,027,610	5.05
Selection and Recruitment	1,366,229	10.40	1,259,855	10.40
Labor and Employee Relations	1,557,040	10.00	1,617,120	10.00
OHR Health and Employee Welfare Division	199,781,722	18.55	205,257,181	18.10
<b>Total</b>	<b>206,347,040</b>	<b>66.50</b>	<b>212,031,608</b>	<b>66.45</b>

## CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY14		FY15	
		Total\$	FTEs	Total\$	FTEs
<b>COUNTY GENERAL FUND</b>					
CIP	CIP	910,326	6.95	870,657	6.95
Fire and Rescue Service	Fire	1,293,260	0.00	1,293,260	0.00
NDA - Mont. County Employee Retirement Plans	Employee Retirement System	62,913	0.50	91,995	0.65
NDA - Mont. County Employee Retirement Plans	Retirement Savings Plan	27,063	0.25	29,191	0.25
Police	County General Fund	252,741	2.00	266,081	2.00
<b>Total</b>		<b>2,546,303</b>	<b>9.70</b>	<b>2,551,184</b>	<b>9.85</b>

## FUTURE FISCAL IMPACTS

Title	APPR. (\$000's)					
	FY15	FY16	FY17	FY18	FY19	FY20
This table is intended to present significant future fiscal impacts of the department's programs.						
<b>COUNTY GENERAL FUND</b>						
<b>Expenditures</b>						
<b>FY15 Approved</b>	<b>7,779</b>	<b>7,779</b>	<b>7,779</b>	<b>7,779</b>	<b>7,779</b>	<b>7,779</b>
No inflation or compensation change is included in outyear projections.						
<b>Labor Contracts</b>	<b>0</b>	<b>51</b>	<b>51</b>	<b>51</b>	<b>51</b>	<b>51</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and associated benefits.						
<b>Labor Contracts - Other</b>	<b>0</b>	<b>-105</b>	<b>-105</b>	<b>-105</b>	<b>-105</b>	<b>-105</b>
These figures represent other negotiated items included in the labor agreements.						
<b>Subtotal Expenditures</b>	<b>7,779</b>	<b>7,725</b>	<b>7,725</b>	<b>7,725</b>	<b>7,725</b>	<b>7,725</b>
<b>EMPLOYEE HEALTH BENEFIT SELF INSURANCE FUND</b>						
<b>Expenditures</b>						
<b>FY15 Approved</b>	<b>204,253</b>	<b>204,253</b>	<b>204,253</b>	<b>204,253</b>	<b>204,253</b>	<b>204,253</b>
No inflation or compensation change is included in outyear projections.						
<b>Labor Contracts</b>	<b>0</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>17</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and associated benefits.						

Title	APPR. (\$000's)					
	FY15	FY16	FY17	FY18	FY19	FY20
<b>Labor Contracts - Other</b>	<b>0</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>	<b>-2</b>
These figures represent other negotiated items included in the labor agreements.						
<b>Subtotal Expenditures</b>	<b>204,253</b>	<b>204,268</b>	<b>204,268</b>	<b>204,268</b>	<b>204,268</b>	<b>204,268</b>

