



Human Resources

APPROVED FY26 BUDGET

\$432,690,648

FULL TIME EQUIVALENTS

85.95

 TRACI L. ANDERSON, DIRECTOR

MISSION STATEMENT

To build a strong and resilient workforce in service to Montgomery County residents.

BUDGET OVERVIEW

The total approved FY26 Operating Budget for the Office of Human Resources is \$432,690,648, an increase of \$46,477,709 or 12.03 percent from the FY25 Approved Budget of \$386,212,939. Personnel Costs comprise 3.11 percent of the budget for 84 full-time position(s) and one part-time position(s), and a total of 85.95 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 96.89 percent of the FY26 budget.

The Office of Human Resources Budget is comprised of a General Fund component of \$13,501,357 and a Employee Health Benefit Self Insurance Fund component of \$419,189,291.

COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following is emphasized:

Effective, Sustainable Government

INITIATIVES

-  Expanded HR governance and human resources (HR) community engagement by hosting HR community meetings and workshops, increasing targeted correspondence, and launching the HR Liaison Intranet, "One-Stop HR Shop," the first SharePoint site of its kind at Montgomery County Government (MCG), which provides a comprehensive resource for all HR Liaisons.
-  Launched the High Intensity Recruitment Experience, featuring targeted promotions of "hard-to-fill" vacancies, using online sourcing platforms and elevating the County's profile as a preferred employer. This resulted in increased connections with job seekers, as well as increased consultancy and hiring support to County departments.

INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

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- ☀ Launched NEOGOV and its associated online platform GovernmentJobs.com, significantly reducing the time and effort for candidates to apply and creating a streamlined and trackable end-to-end process for the County's hiring process, resulting in an average 250 percent increase in applications per job posting.
 - ☀ Launched an HR Liaison engagement strategy, which includes more frequent communications, new workshops, and a dedicated Intranet site, "One-Stop HR Shop," which consolidated four different sites into one site that serves as a comprehensive resource for all HR Liaisons.
 - ☀ In FY24 the County had a net gain of 294 permanent employees, the largest net gain in over five years, resulting from enhancements to the County's sourcing and recruitment framework, paid advertising, and increased community engagement.
 - ☀ In FY24, 66 percent of new hires identified as a racial minority, which is above the 59 percent threshold of the Montgomery County labor force.
 - ☀ Developed and implemented the Position Description Management system, the first centralized position description database for MCG, and instituted a requirement for updated position descriptions prior to commencement of recruitment activities for all vacancies.
 - ☀ Developed and implemented automated imaging and benefits updates to manage changes to employee beneficiary records and to provide confirmation messages for changes made using Oracle's employee self-service feature, reducing errors and delays in processing, as well as providing documented records for reference.
 - ☀ Launched a new supervisor/manager orientation program, to orient new leaders to their administrative and managerial responsibilities, as well as effective leadership practices.

PROGRAM CONTACTS

Contact Jennifer Shovlin of the Office of Human Resources at 240-777-5039 or Shantee Jackson of the Office of Management and Budget at 240-777-2751 for more information regarding this department's operating budget.

PROGRAM PERFORMANCE MEASURES

Performance measures for this department are included below (where applicable), with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY25 estimates reflect funding based on the FY25 Approved Budget. The FY26 and FY27 figures are performance targets based on the FY26 Approved Budget and funding for comparable service levels in FY27.

PROGRAM DESCRIPTIONS

☀ Administrative Services

The Division of Administrative Services leads management and oversight of OHR's procurements and contracts, budget administration and financial management, the Health Insurance and Wellness team, Records Management team, and Occupational Medical Services team.

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, retirees, and their dependents in a manner that ensures an understanding of program provisions and their value as part of total compensation. The Wellness Program uses a dynamic, comprehensive, and data-driven strategy to promote employee engagement in health and well-being. The Wellness Program provides employee wellness activities such as health screenings, educational seminars, wellness and fitness classes, and incentive programs, and utilizes communication channels such as web, social media, and a monthly newsletter.

The Occupational Medical Services team (OMS) (including Fire and Rescue Occupational Medical Services) provides work-related medical and safety-hazard assessments to promote the health and productivity of the County workforce through risk reduction and injury prevention programs. OMS administers the County's drug and alcohol testing, centralized Family and Medical Leave programs, and the County's Americans with Disabilities Act (ADA) program.

The Records Management team manages and maintains HR records information and processes pertaining to the County's official personnel files by ensuring the compliance and protection of confidential employee documents as required by County, State, and/or Federal law. Records Management manually establishes new employee records to ensure accuracy, proper documentation, and on-time completion. Records Management also reviews and approves all assignment actions submitted by the HR Liaisons and ensures records are electronically transmitted to the proper official personnel file.

Program Performance Measures	Actual FY23	Actual FY24	Estimated FY25	Target FY26	Target FY27
Number of mandatory incumbent physical exams performed by Occupational Medical Services	2,549	2,667	2,720	2,775	2,844
Number of candidates processed for medical clearances	2,585	2,666	2,719	2,774	2,843
Average appointment length from sign in to discharge (minutes)	74	66	67	68	70
Number of employees enrolled in Virgin Pulse wellness program	6,322	6,809	6,800	6,800	6,800

FY26 Approved Changes	Expenditures	FTEs
FY25 Approved	3,234,054	5.00
Increase Cost: Claims Expenditures Adjustment	45,601,257	0.00
Increase Cost: Three Percent Inflationary Adjustment to Non-Profit Service Provider Contracts	2,336	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.	372,680,511	21.55
FY26 Approved	421,518,158	26.55

Director's Office

The Director's Office provides executive leadership and management, policy direction, strategic workforce and financial planning, communications and public outreach, compliance, and oversight to the County's human capital management program. The office provides consultation services related to human resources matters to the County Executive, the Chief Administrative Officer, and directors of County departments and agencies.

The Director's Office is responsible for ensuring and maintaining operational fidelity to the County's personnel regulations, working collaboratively with the Merit System Protection Board, and developing and promoting new initiatives and services to promote experiences and outcomes for all stakeholders.

The Policy, Practice, and Strategic Communications Team manages human resources policies and procedures, and drives improvements in HR governance and service delivery models. The team drives OHR's data management and functional

performance analyses. Additionally, the Team develops and implements communications strategies to promote employee awareness and engagement, and implements robust approaches to manage the County's brand and online presence as a preferred employer.

The Police Stress Management program promotes the emotional, mental, and physical well-being of Police employees and their family members through delivery of assessment services, counseling, training, and consultation services.

FY26 Approved Changes	Expenditures	FTEs
FY25 Approved	3,823,947	23.20
Shift: Customer Service Resources from Technology and Enterprise Business Solutions to OHR	176,076	2.00
Re-align: Personnel Costs From Employee Group Health Insurance Fund to General Fund	39,145	0.00
Re-align: Personnel Costs From General Fund to Employee Group Health Insurance Fund	30,066	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.	(545,296)	(4.70)
FY26 Approved	3,523,938	20.50

Equal Employment Opportunity & Diversity

The Equal Employment Opportunity (EEO) Division ensures compliance by enforcing local, State, and Federal laws related to workplace discrimination and/or harassment. The division investigates EEO complaints, conducts mediations, and issues findings. The division delivers mandatory and customized training to employees and supervisors concerning equal employment opportunities, rights, and responsibilities, and coordinates a diversity program where County employees share cultural stories to enhance understanding and celebrate their rich and diverse heritage. Further, the division is responsible for mandatory Federal and State EEO-related reporting, certification of EEO-4 reporting, data/statistical analyses, and other compliance reporting associated with grant funding.

Program Performance Measures	Actual FY23	Actual FY24	Estimated FY25	Target FY26	Target FY27
Number of cases/inquiries received by EEO ¹	146	103	140	140	140
Percent of EEO cases/inquiries resolved within 180 days	100%	80%	80%	80%	80%
Percent of employees in compliance with mandatory workplace harassment training schedule	37%	36%	40%	45%	50%

¹ This measure will be calculated by counting all cases (investigation cases, mediation, and withdrawals) from the case management system. Cases in abeyance are excluded.

FY26 Approved Changes	Expenditures	FTEs
FY25 Approved	455,751	3.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	79,109	0.00
FY26 Approved	534,860	3.00

Talent Acquisition & Management

The Talent Acquisition and Management Division attends to the full scope of an employee's career, from onboarding to future growth and development. The Recruitment and Selection Team serves as the strategic hub for attracting and securing top talent and is often the first contact jobseekers have with County government. The team proactively sources and engages highly skilled,

competent, and diverse candidates who possess the qualifications necessary to deliver on the County's workforce needs. The team's expertise extends beyond traditional recruitment, as it provides guidance and support to departments and agencies aligned to their specific service needs. Services include strategic workforce planning, advisory services related to sourcing tools and platforms, and comprehensive training on interviewing and selection techniques.

Furthermore, the team plays a pivotal role in facilitating career growth and mobility within County government, through administration of transfers, demotions, promotions, and noncompetitive reappointments. Their commitment to fairness and transparency is evident in their efforts to develop and validate candidate qualifications, ensuring a level playing field for all applicants. By delivering informative community and employee briefings on the County's employment process and interview/resume preparation, the team empowers individuals to navigate the application process successfully. This dedication to fostering a well-informed and engaged applicant pool strengthens the County's ability to attract and retain top talent and promote a high-performing workforce.

The Classification and Compensation Team plays a crucial role in assuring competitive alignment of the County's classification and compensation plan. The team ensures that all positions are accurately classified and graded in accordance with the County's Classification Plan and compensation policies through a rigorous process of evaluation. This work guarantees that employees receive equitable compensation that aligns with their contributions and the market value of their roles.

Further, the team actively monitors and ensures compliance with all applicable Federal, State, and County laws, as well as the County's personnel regulations, collectively bargained agreements, and industry best practices. This proactive approach safeguards the organization from potential legal issues and fosters a positive employee experience.

The Professional Learning and Organizational Development team fosters a successful and full employee life cycle for all County employees, from new employee orientation and onboarding, through emerging and new supervisor development, and culminating in employee offboarding. The team administers employee orientation and onboarding, tuition assistance, performance planning and appraisals, learning and development design and delivery, mandatory and voluntary skills training, and employee engagement and recognition activities.

Program Performance Measures	Actual FY23	Actual FY24	Estimated FY25	Target FY26	Target FY27
Number of job applications	28,836	38,479	40,000	42,000	44,000
Number of people hired	1,004	1,011	1,050	1,100	1,150
Average number of days to fill a vacant County position	99	100	90	80	70
Percent of vacancies filled within target duration	27%	26%	32%	38%	45%
Percent of new hires who are racial minorities	72%	66%	60%	60%	60%
Number of training classes offered	911	740	700	730	760
Percent of employees who participate in at least two non-mandatory training/development programs	8%	8%	8%	8%	8%
Percent of training courses geared toward leadership development	5%	19%	15%	15%	15%
Percentage of training attendees who report that training was helpful to their job	93%	94%	95%	95%	95%
Job classification activities completed	271	226	270	270	270
Number of new hire salary equity analyses completed	192	373	250	300	350
Average days to complete new hire salary equity analyses	45	5	7	7	7
Average workdays to complete non-study job classifications related to hires	12	6	10	10	10
Percent of job classifications reviewed/studied within the past 5 years	10%	7%	13%	15%	15%

FY26 Approved Changes	Expenditures	FTEs
FY25 Approved	2,721,963	13.00
Enhance: Countywide Management Training Programs	120,000	0.00
Increase Cost: NEOGOV Applicant Tracking System Subscription Modules	32,075	0.00
Shift: LEAP4MCG Resources from OHR to Department of General Services	(100,505)	(1.00)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	4,340,159	23.90
FY26 Approved	7,113,692	35.90

REALIGNED PROGRAMS

Funding in the following programs has been realigned to other programs within this department or to other departments.

☼ Health & Employee Welfare*

FY26 Approved Changes	Expenditures	FTEs
FY25 Approved	371,632,538	15.85
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(371,632,538)	(15.85)
FY26 Approved	0	0.00

☼ Recruitment and Selection*

FY26 Approved Changes	Expenditures	FTEs
FY25 Approved	3,154,623	19.90
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(3,154,623)	(19.90)
FY26 Approved	0	0.00

☼ Training and Organizational Development*

FY26 Approved Changes	Expenditures	FTEs
FY25 Approved	1,190,063	5.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(1,190,063)	(5.00)
FY26 Approved	0	0.00

BUDGET SUMMARY

	Actual FY24	Budget FY25	Estimate FY25	Approved FY26	%Chg Bud/App
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	5,349,327	6,992,888	6,027,727	7,504,393	7.3 %

BUDGET SUMMARY

	Actual FY24	Budget FY25	Estimate FY25	Approved FY26	%Chg Bud/App
Employee Benefits	1,378,396	1,843,230	1,571,557	2,083,761	13.1 %
County General Fund Personnel Costs	6,727,723	8,836,118	7,599,284	9,588,154	8.5 %
Operating Expenses	3,720,966	3,995,703	4,487,481	3,913,203	-2.1 %
County General Fund Expenditures	10,448,689	12,831,821	12,086,765	13,501,357	5.2 %
PERSONNEL					
Full-Time	81	83	83	84	1.2 %
Part-Time	1	1	1	1	—
FTEs	57.25	61.30	61.30	62.30	1.6 %
County General Fund Revenues	0	0	0	0	—

EMPLOYEE HEALTH SELF INSURANCE

EXPENDITURES

Salaries and Wages	2,405,615	2,854,883	2,362,359	2,981,168	4.4 %
Employee Benefits	620,438	794,308	610,785	874,939	10.2 %
Employee Health Self Insurance Personnel Costs	3,026,053	3,649,191	2,973,144	3,856,107	5.7 %
Operating Expenses	335,050,830	369,731,927	369,729,587	415,333,184	12.3 %
Employee Health Self Insurance Expenditures	338,076,883	373,381,118	372,702,731	419,189,291	12.3 %

PERSONNEL

Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	25.25	23.65	23.65	23.65	—

REVENUES

Other Charges/Fees	34,117,183	0	0	0	—
Self Insurance Employee Health Income	67,997,654	314,198,351	326,823,978	348,513,897	10.9 %
Investment Income	(152,795)	128,160	(138,640)	(116,750)	-191.1 %
Medicaid/Medicare Reimbursement	23,621,723	60,039,022	59,554,880	65,824,126	9.6 %
OPEB Trust Utilization	0	8,886,000	8,886,000	13,538,000	52.4 %
Employee Health Self Insurance Revenues	125,583,765	383,251,533	395,126,218	427,759,273	11.6 %

DEPARTMENT TOTALS

Total Expenditures	348,525,572	386,212,939	384,789,496	432,690,648	12.0 %
Total Full-Time Positions	81	83	83	84	1.2 %
Total Part-Time Positions	1	1	1	1	—
Total FTEs	82.50	84.95	84.95	85.95	1.2 %
Total Revenues	125,583,765	383,251,533	395,126,218	427,759,273	11.6 %

FY26 APPROVED CHANGES

	Expenditures	FTEs
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COUNTY GENERAL FUND

FY26 APPROVED CHANGES

	Expenditures	FTEs
FY25 ORIGINAL APPROPRIATION	12,831,821	61.30
<u>Changes (with service impacts)</u>		
Enhance: Countywide Management Training Programs [Talent Acquisition & Management]	120,000	0.00
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: FY26 Compensation Adjustment	434,125	0.00
Increase Cost: Annualization of FY25 Compensation Increases	179,516	0.00
Shift: Customer Service Resources from Technology and Enterprise Business Solutions to OHR [Director's Office]	176,076	2.00
Re-align: Personnel Costs From Employee Group Health Insurance Fund to General Fund [Director's Office]	39,145	0.00
Increase Cost: NEOGOV Applicant Tracking System Subscription Modules [Talent Acquisition & Management]	32,075	0.00
Increase Cost: Retirement Adjustment	24,908	0.00
Increase Cost: Three Percent Inflationary Adjustment to Non-Profit Service Provider Contracts [Administrative Services]	2,336	0.00
Decrease Cost: Annualization of FY25 Personnel Costs	(1,229)	0.00
Decrease Cost: Printing and Mail Adjustment	(11,911)	0.00
Shift: LEAP4MCG Resources from OHR to Department of General Services [Talent Acquisition & Management]	(100,505)	(1.00)
Decrease Cost: Elimination of One-Time Items Approved in FY25	(225,000)	0.00
FY26 APPROVED	13,501,357	62.30

EMPLOYEE HEALTH SELF INSURANCE

FY25 ORIGINAL APPROPRIATION	373,381,118	23.65
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Claims Expenditures Adjustment [Administrative Services]	45,601,257	0.00
Increase Cost: FY26 Compensation Adjustment	95,090	0.00
Increase Cost: Annualization of FY25 Compensation Increases	65,856	0.00
Re-align: Personnel Costs From General Fund to Employee Group Health Insurance Fund [Director's Office]	30,066	0.00
Increase Cost: Annualization of FY25 Personnel Costs	8,334	0.00
Increase Cost: Retirement Adjustment	7,570	0.00
FY26 APPROVED	419,189,291	23.65

PROGRAM SUMMARY

Program Name	FY25 APPR Expenditures	FY25 APPR FTEs	FY26 APPR Expenditures	FY26 APPR FTEs
Administrative Services	3,234,054	5.00	421,518,158	26.55
Director's Office	3,823,947	23.20	3,523,938	20.50
Equal Employment Opportunity & Diversity	455,751	3.00	534,860	3.00
Health & Employee Welfare*	371,632,538	15.85	0	0.00
Recruitment and Selection*	3,154,623	19.90	0	0.00

PROGRAM SUMMARY

Program Name	FY25 APPR Expenditures	FY25 APPR FTEs	FY26 APPR Expenditures	FY26 APPR FTEs
Talent Acquisition & Management	2,721,963	13.00	7,113,692	35.90
Training and Organizational Development*	1,190,063	5.00	0	0.00
Total	386,212,939	84.95	432,690,648	85.95

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY25 Total\$	FY25 FTEs	FY26 Total\$	FY26 FTEs
COUNTY GENERAL FUND					
Fire and Rescue Service	Fire	2,369,958	0.00	2,442,675	0.00
NDA - Montgomery County Employee Retirement Plans	Employees Retirement Savings Plan (RSP)	20,181	0.15	21,304	0.15
NDA - Montgomery County Employee Retirement Plans	Retirement Fund (ERS)	20,181	0.15	21,304	0.15
Total		2,410,320	0.30	2,485,283	0.30

FUNDING PARAMETER ITEMS

CC APPROVED (\$000S)

Title	FY26	FY27	FY28	FY29	FY30	FY31
COUNTY GENERAL FUND						
EXPENDITURES						
FY26 Approved	13,501	13,501	13,501	13,501	13,501	13,501
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	52	52	52	52	52
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	13,501	13,553	13,553	13,553	13,553	13,553
EMPLOYEE HEALTH SELF INSURANCE						
EXPENDITURES						
FY26 Approved	419,189	419,189	419,189	419,189	419,189	419,189
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	19	19	19	19	19
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	419,189	419,208	419,208	419,208	419,208	419,208

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