



# 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 recommended FY17 Operating Budget for the Office of Human Resources is \$254,059,794, an increase of \$18,910,782 or 8.04 percent from the FY16 Approved Budget of \$235,149,012. Personnel Costs comprise 3.21 percent of the budget for 66 full-time position(s) and four part-time position(s), and a total of 68.00 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 96.79 percent of the FY17 budget.

The Office of Human Resources Budget is comprised of a General Fund component of \$8,205,240 and a Employee Health Benefit Self Insurance Fund component of \$245,854,554.

## Linkage to County Result Areas

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

### A Responsive, Accountable County Government

## Department 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 FY16 estimates reflect funding based on the FY16 approved budget. The FY17 and FY18 figures are performance targets based on the FY17 recommended budget and funding for comparable service levels in FY18.

Measure	Actual FY14	Actual FY15	Estimated FY16	Target FY17	Target FY18
<b>Multi-Program Measures</b>					
Average customer satisfaction rating (1-4) on the yearly internal customer survey of County managers	3.0	3.1	3.1	3.1	3.1

## Initiatives

- Collaborating with the Chief Innovation Officer on the Talent Acquisition and Development (TAD) Project and have completed a review of the current hiring process.

## Accomplishments

- Offered over 872 different courses, which were taken by approximately 12,000 participants.
- Implemented Oracle Learning Management Instructor Learning Access and conducted hands on training for over 100 internal instructors, OHR staff, and HR Liaisons.
- Conducted an eLearning training assessment to evaluate the use of electronic and blended learning technologies within the Office of Human Resources.
- Completed the first phase of the Candidate Qualification Process and have started developing a plan to revise the process, outline training, and create a communication's plan.
- Placed all employees impacted by the FY15 Reduction in Force (RIF).

- ☑ Launched Live Well, the joint labor-management employee wellness program, and the Virgin Pulse program in September 2015 and reached 27% enrollment in the Virgin Pulse program in less than two months.
- ☑ Transitioned the MCGEO sick leave bank from a pilot project to an established County program.

## Productivity Improvements

- ☀ Instituted a weekly carrier file transfer to the County's insurance carriers to provide timely information and ensure that employee ID cards are issued and terminations are reflected without delay.
- ☀ Consolidated the Fire Rescue Services Promotional application's process from two points of entry to one to eliminate the additional time taken to apply for the same job twice.
- ☀ Continued growth of Wellness Champion representation from 28 departments to all 40 departments by identifying at least one representative per department.
- ☀ Increased customer satisfaction and accuracy by prompting employees and retirees who call the MC311 system to "press 3" for direct assistance.
- ☀ Assigned the Health Insurance Team a mobile phone to handle emergency calls and provide direct level assistance. The hours of operation have been extended so customer service representatives are available from 7 am to 7 pm.

## 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 provides services to the department: executive management and recruitment; policy direction; strategic and financial planning; communications and public relations; and resources management. In addition, the office provides consultation services on human resources matter to County Executive and other department directors. 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 Director's Office is also responsible for the departmental human capital strategy, which focuses on improving automation, customer service, cultural change and communication as recommended by key partners and stakeholders.

The Director's Office is comprised of the following:

- Information Technology - provides management and oversight of the Department's information technology initiatives.
- Administrative Services - provides management and oversight of office procurements and contracts, budget preparation and administration, and financial management of the employee health benefits fund. The team also remits payments to benefit program carriers and third party administrators, approves invoices, and remits bills to employees and retirees as necessary.
- Communications and Strategic Planning - provides management and coordination of communications strategies, website content management, and the department's strategic initiatives.

FY17 Recommended Changes	Expenditures	FTEs
<b>FY16 Approved</b>	<b>1,456,329</b>	<b>9.20</b>
Shift: Telecommunications to the Telecommunications Non-Departmental Account	(27,710)	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.	476,959	3.45

FY17 Recommended Changes	Expenditures	FTEs
<b>FY17 Recommended</b>	<b>1,905,578</b>	<b>12.65</b>

## Business Operations and Performance

The Business Operations and Performance division is comprised of the Classification, Compensation, Records Management, and Workforce Performance 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 to assure that positions are correctly assigned at comparable grade levels. This team 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 compensation policies.

Workforce Performance consists of the Rewarding Excellence and Performance Management team. Rewarding Excellence is a process that encourages, mentors and coaches front-line employees to work together as a team to implement improvement initiatives within Montgomery County Government. Performance management is a continuous process, which includes creating performance appraisals, observing and documenting performance and behavior, providing feedback, coaching, mentoring and evaluating employees. The goal is to help employees and supervisors achieve Montgomery County's overall vision of efficient, effective, innovative, and responsive delivery of quality services.

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 also enters data into the Enterprise Resource Planning (ERP) Human Resources System and other ERP-related systems.

FY17 Recommended Changes	Expenditures	FTEs
<b>FY16 Approved</b>	<b>1,856,170</b>	<b>14.60</b>
Decrease Cost: Contractual Services for Rewarding Excellence/Gainsharing	(25,000)	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.	(107,769)	0.00
<b>FY17 Recommended</b>	<b>1,723,401</b>	<b>14.60</b>

## Training and Organizational Development

The Training and Organizational Development team provides training, workforce planning and organizational effectiveness programs and activities that increase the knowledge, skills and abilities of the County's workforce. The team offers professional development opportunities to employees and managers through online learning and instructor-led classes. Designs performance improvement strategies and specialized training to meet specific departmental needs. The team also designs short- and long-term business strategies to create required professional competencies, enhance organizational performance and effectiveness, and champions organizational change efforts to support the County's objectives.

Program Performance Measures	Actual FY14	Actual FY15	Estimated FY16	Target FY17	Target FY18
Customer satisfaction with training: Percentage who found training helpful to job	93.1	93.3	93.0	93.0	93.0

FY17 Recommended Changes	Expenditures	FTEs
<b>FY16 Approved</b>	<b>1,046,361</b>	<b>5.00</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	14,725	0.00
<b>FY17 Recommended</b>	<b>1,061,086</b>	<b>5.00</b>

## Selection and Recruitment

The Recruitment and Selection team is responsible for attracting, hiring, promoting and retaining candidates for County departments and agencies that result 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 including recruitment planning, guidance, and advisory services to departments and agencies on selection and hiring. In addition, the team 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, manages the County's Disability Employment Initiatives, and provides Selection Guidelines Training on Interviewing and Selecting Employees.

Program Performance Measures	Actual FY14	Actual FY15	Estimated FY16	Target FY17	Target FY18
Average satisfaction score (1-5) of departments with pools of candidates for positions, based on a survey of hiring managers	4.5	4.5	4.5	4.5	4.5
Average number of days to fill a vacant County position	95	87	85	85	85

FY17 Recommended Changes	Expenditures	FTEs
<b>FY16 Approved</b>	<b>1,365,757</b>	<b>10.40</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(21,331)	0.00
<b>FY17 Recommended</b>	<b>1,344,426</b>	<b>10.40</b>

## Labor and Employee Relations

Labor and Employee Relations consists of two teams: Labor and Employee Relations; and Equal Employment Opportunity and Diversity. 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 and 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 team provides assistance, guidance, and training to employees and managers regarding 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.

Program Performance Measures	Actual FY14	Actual FY15	Estimated FY16	Target FY17	Target FY18
Percentage of grievances resolved before reaching third party neutral	95	93	94	94	94

FY17 Recommended Changes	Expenditures	FTEs
<b>FY16 Approved</b>	<b>1,610,153</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.	(85,487)	(1.00)
<b>FY17 Recommended</b>	<b>1,524,666</b>	<b>9.00</b>

## Health & Employee Welfare

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.

FY17 Recommended Changes	Expenditures	FTEs
<b>FY16 Approved</b>	<b>225,974,549</b>	<b>14.60</b>
Increase Cost: Claims and Administration for Health Insurance	17,831,593	0.00
Add: Wellness Program	850,000	0.00
Shift: Shift to Health Fund	126,046	0.85
Increase Cost: Actuarial Services	100,000	0.00
Increase Cost: Police Stress Management	45,000	0.50
Increase Cost: Oracle Advanced Benefits Annual Software Maintenance Fee	15,836	0.00
Decrease Cost: ERP Support	(48,324)	0.00
Shift: Shift to Health Fund	(63,671)	(0.85)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	1,669,608	1.25
<b>FY17 Recommended</b>	<b>246,500,637</b>	<b>16.35</b>

## Occupational Medical Services

This program has been shifted into the Director's Office and Health & Employee Welfare programs.

FY17 Recommended Changes	Expenditures	FTEs
<b>FY16 Approved</b>	<b>1,839,693</b>	<b>3.50</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(1,839,693)	(3.50)
<b>FY17 Recommended</b>	<b>0</b>	<b>0.00</b>

## Budget Summary

	Actual FY15	Budget FY16	Estimate FY16	REC FY17	%Chg Bud/Rec
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	4,292,907	4,142,359	4,486,327	4,331,169	4.6 %
Employee Benefits	1,276,447	1,295,294	1,254,548	1,250,001	-3.5 %
<b>County General Fund Personnel Costs</b>	<b>5,569,354</b>	<b>5,437,653</b>	<b>5,740,875</b>	<b>5,581,170</b>	<b>2.6 %</b>
Operating Expenses	2,758,522	2,650,413	2,523,371	2,624,070	-1.0 %
<b>County General Fund Expenditures</b>	<b>8,327,876</b>	<b>8,088,066</b>	<b>8,264,246</b>	<b>8,205,240</b>	<b>1.4 %</b>
<b>PERSONNEL</b>					
Full-Time	70	64	64	66	3.1 %
Part-Time	6	6	6	4	-33.3 %
FTEs	45.60	46.05	46.05	45.70	-0.8 %
<b>County General Fund Revenues</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>EMPLOYEE HEALTH SELF INSURANCE</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	1,827,187	1,992,500	1,952,375	1,998,586	0.3 %
Employee Benefits	434,952	525,977	476,838	564,394	7.3 %
<b>Employee Health Self Insurance Personnel Costs</b>	<b>2,262,139</b>	<b>2,518,477</b>	<b>2,429,213</b>	<b>2,562,980</b>	<b>1.8 %</b>
Operating Expenses	211,713,771	224,542,469	222,969,162	243,291,574	8.3 %
<b>Employee Health Self Insurance Expenditures</b>	<b>213,975,910</b>	<b>227,060,946</b>	<b>225,398,375</b>	<b>245,854,554</b>	<b>8.3 %</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	---
Part-Time	0	0	0	0	---

	Actual FY15	Budget FY16	Estimate FY16	REC FY17	%Chg Bud/Rec
FTEs	20.85	21.25	21.25	22.30	4.9 %
<b>REVENUES</b>					
Investment Income	31,249	100,900	100,900	144,140	42.9 %
Medicaid/Medicare Reimbursement	2,080,232	0	0	0	---
Other Charges/Fees	3,964,500	0	0	0	---
Self Insurance Employee Health Income	202,447,075	220,264,291	218,124,741	249,856,329	13.4 %
<b>Employee Health Self Insurance Revenues</b>	<b>208,523,056</b>	<b>220,365,191</b>	<b>218,225,641</b>	<b>250,000,469</b>	<b>13.4 %</b>
<b>GRANT FUND - MCG</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	---
Employee Benefits	0	0	0	0	---
<b>Grant Fund - MCG Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>---</b>
Operating Expenses	10,350	0	0	0	---
<b>Grant Fund - MCG Expenditures</b>	<b>10,350</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>---</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	---
Part-Time	0	0	0	0	---
FTEs	0.00	0.00	0.00	0.00	---
<b>Grant Fund - MCG Revenues</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>---</b>
<b>DEPARTMENT TOTALS</b>					
<b>Total Expenditures</b>	<b>222,314,136</b>	<b>235,149,012</b>	<b>233,662,621</b>	<b>254,059,794</b>	<b>8.0 %</b>
<b>Total Full-Time Positions</b>	<b>70</b>	<b>64</b>	<b>64</b>	<b>66</b>	<b>3.1 %</b>
<b>Total Part-Time Positions</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>4</b>	<b>-33.3 %</b>
<b>Total FTEs</b>	<b>66.45</b>	<b>67.30</b>	<b>67.30</b>	<b>68.00</b>	<b>1.0 %</b>
<b>Total Revenues</b>	<b>208,523,056</b>	<b>220,365,191</b>	<b>218,225,641</b>	<b>250,000,469</b>	<b>13.4 %</b>

## FY17 Recommended Changes

Expenditures FTEs

### COUNTY GENERAL FUND

**FY16 ORIGINAL APPROPRIATION** **8,088,066 46.05**

#### Other Adjustments (with no service impacts)

Increase Cost: FY17 Compensation Adjustment	110,311	0.00
Increase Cost: Annualization of FY16 Personnel Costs	105,322	0.00
Increase Cost: Police Stress Management [Health & Employee Welfare]	45,000	0.50
Increase Cost: Group Insurance Adjustment	28,468	0.00
Increase Cost: Printing and Mail	1,029	0.00
Increase Cost: Motor Pool Adjustment	338	0.00
Decrease Cost: Contractual Services for Rewarding Excellence/Gainsharing [Business Operations and Performance]	(25,000)	0.00
Shift: Telecommunications to the Telecommunications Non-Departmental Account [Director's Office]	(27,710)	0.00
Decrease Cost: Retirement Adjustment	(56,913)	0.00
Shift: Shift to Health Fund [Health & Employee Welfare]	(63,671)	(0.85)

**FY17 RECOMMENDED** **8,205,240 45.70**

### EMPLOYEE HEALTH SELF INSURANCE

**FY16 ORIGINAL APPROPRIATION** **227,060,946 21.25**

#### Changes (with service impacts)

Add: Wellness Program [Health & Employee Welfare]	850,000	0.00
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#### Other Adjustments (with no service impacts)

Increase Cost: Claims and Administration for Health Insurance [Health & Employee Welfare]	17,831,593	0.00
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	Expenditures	FTEs
Shift: Shift to Health Fund [Health & Employee Welfare]	126,046	0.85
Increase Cost: Actuarial Services [Health & Employee Welfare]	100,000	0.00
Increase Cost: FY17 Compensation Adjustment	31,145	0.00
Increase Cost: Oracle Advanced Benefits Annual Software Maintenance Fee [Health & Employee Welfare]	15,836	0.00
Increase Cost: Group Insurance Adjustment	13,469	0.00
Decrease Cost: Retirement Adjustment	(14,658)	0.00
Decrease Cost: ERP Support [Health & Employee Welfare]	(48,324)	0.00
Decrease Cost: Annualization of FY16 Personnel Costs	(111,499)	0.20
<b>FY17 RECOMMENDED</b>	<b>245,854,554</b>	<b>22.30</b>

## Program Summary

Program Name	FY16 APPR		FY17 REC	
	Expenditures	FTEs	Expenditures	FTEs
Director's Office	1,456,329	9.20	1,905,578	12.65
Business Operations and Performance	1,856,170	14.60	1,723,401	14.60
Training and Organizational Development	1,046,361	5.00	1,061,086	5.00
Selection and Recruitment	1,365,757	10.40	1,344,426	10.40
Labor and Employee Relations	1,610,153	10.00	1,524,666	9.00
Health & Employee Welfare	225,974,549	14.60	246,500,637	16.35
Occupational Medical Services	1,839,693	3.50	0	0.00
<b>Total</b>	<b>235,149,012</b>	<b>67.30</b>	<b>254,059,794</b>	<b>68.00</b>

## Charges to Other Departments

Charged Department	Charged Fund	FY16		FY17	
		Total\$	FTEs	Total\$	FTEs
<b>COUNTY GENERAL FUND</b>					
Fire and Rescue Service	Fire	1,315,010	0.00	1,315,010	0.00
Police	General Fund	277,967	2.00	281,922	2.00
NDA - Montgomery County Employee Retirement Plans	Employees Retirement Savings Plan (RSP)	34,750	0.30	35,441	0.30
NDA - Montgomery County Employee Retirement Plans	Retirement Fund (ERS)	216,896	0.70	218,247	0.70
NDA - Montgomery County Employee Retirement Plans	Non-Appropriated Funds	16,318	0.00	16,318	0.00
<b>Total</b>		<b>1,860,941</b>	<b>3.00</b>	<b>1,866,938</b>	<b>3.00</b>

## Future Fiscal Impacts

Title	CE RECOMMENDED (\$000s)					
	FY17	FY18	FY19	FY20	FY21	FY22
<b>COUNTY GENERAL FUND</b>						
<b>EXPENDITURES</b>						
<b>FY17 Recommended</b>	<b>8,205</b>	<b>8,205</b>	<b>8,205</b>	<b>8,205</b>	<b>8,205</b>	<b>8,205</b>
No inflation or compensation change is included in outyear projections.						
<b>Labor Contracts</b>	<b>0</b>	<b>37</b>	<b>37</b>	<b>37</b>	<b>37</b>	<b>37</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
<b>Subtotal Expenditures</b>	<b>8,205</b>	<b>8,242</b>	<b>8,242</b>	<b>8,242</b>	<b>8,242</b>	<b>8,242</b>

<b>EMPLOYEE HEALTH SELF INSURANCE</b>						
<b>EXPENDITURES</b>						

Title	CE RECOMMENDED (\$000s)					
	FY17	FY18	FY19	FY20	FY21	FY22
<b>FY17 Recommended</b>	<b>245,855</b>	<b>245,855</b>	<b>245,855</b>	<b>245,855</b>	<b>245,855</b>	<b>245,855</b>
No inflation or compensation change is included in outyear projections.						
<b>Labor Contracts</b>	<b>0</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
<b>Subtotal Expenditures</b>	<b>245,855</b>	<b>245,873</b>	<b>245,873</b>	<b>245,873</b>	<b>245,873</b>	<b>245,873</b>