



Human Resources

RECOMMENDED FY19 BUDGET

\$277,930,491

FULL TIME EQUIVALENTS

70.90

SHAWN STOKES, DIRECTOR

MISSION STATEMENT

To foster excellence in people by providing quality human resources services to our employees, partners, and the community.

BUDGET OVERVIEW

The total recommended FY19 Operating Budget for the Office of Human Resources is \$277,930,491, an increase of \$25,983,027 or 10.31 percent from the FY18 Approved Budget of \$251,947,464. Personnel Costs comprise 3.26 percent of the budget for 69 full-time position(s) and three part-time position(s), and a total of 70.90 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 96.74 percent of the FY19 budget.

The Office of Human Resources Budget is comprised of a General Fund component of \$8,755,692 and a Employee Health Benefit Self Insurance Fund component of \$269,174,799.

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 FY18 estimates reflect funding based on the FY18 approved budget. The FY19 and FY20 figures are performance targets based on the FY19 recommended budget and funding for comparable service levels in FY20.

Measure	Actual FY16	Actual FY17	Estimated FY18	Target FY19	Target FY20
Multi-Program Measures					
Average customer satisfaction rating (1-4) on the yearly internal customer survey of County managers	3.09	3.07	3.07	3.09	3.11

INITIATIVES

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- ★ Conduct management, employee, and community briefings on the enhanced employment and qualification system.
 - ★ Implement a comprehensive classification guide for Montgomery County Government staff, local government staff /officials, and the public on how the County manages functional classification.
 - ★ Increase focus for wellness programs on the Top Health Conditions; 1) Diabetes, 2) Hypertension, 3) Cancer, 4) Musculoskeletal, 5) Mental Health, and 6) Obesity.
 - ★ Develop new employee onboarding process to streamline the end-to-end process for new hires to County government.
 - ★ Review best practices to determine an automated solution for monitoring promotional probationary employees.
 - ★ Create wellness videos that highlight and encourage strategies for employees to develop and maintain healthy lifestyles.
 - ★ Develop a collaborative and consultative recruitment module with our departmental business owners to include outreach and job fairs.
 - ★ Increase wellness participation and engagement through outreach and enhanced programs that leverage the departmental Wellness Champions and events such as Celebrate You!, Breast Cancer Awareness Walks, Emergency Communications Center Draft Day, and benefits fairs at key locations across the County.
 - ★ Initiate stress management programs for high risk departments.
 - ★ Implement weight management programs through each of the County's health insurance carriers.

ACCOMPLISHMENTS

- ☑ Launched the automated candidate qualification process and system, posted approximately 121 job vacancies and extended offers for about 60% of the job vacancies.
- ☑ Implemented a commuter tax benefit program for employees effective January 1, 2018.
- ☑ Completed four Occupational Studies (Social Workers, Therapists, Supply Technicians, and Mechanics).
- ☑ Conducted an organizational leadership development needs assessment and developed a leadership development strategy for Montgomery County Government (MCG).
- ☑ Implemented a new Labor Tracking intake system for monitoring departmental requests for support from the Labor team.
- ☑ Awarded two Rewarding Excellence teams with certificates of completion. The two teams netted the County a combined \$31,000 in savings in the first year of implementation.
- ☑ Offered 717 different training courses taken by 15,742 participants.
- ☑ Increased enrollment and participation in the Virgin Pulse Program from 49.9% to 54.6% as of January 2018 and increased awareness and utilization of the Employee Assistance Program from 28.6% to 43.0%.
- ☑ Recognized over 1,400 employees who received Length of Service recognition in calendar year 2016 and recognized 31 MCG teams through the National Association of Counties Achievement Awards Ceremony.
- ☑ Enhanced Wellness Program offerings to address high risk health issues through diabetes education series, healthy eating/nutrition, and stress management for the Emergency Communication's Center and the Department of Correction and Rehabilitation.

INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

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- ✦ Reduced the average time to generate and provide the eligibility list for vacant positions to hiring managers by approximately 20 days, to within nine days of the close of the ad in iRecruitment.
 - ✦ Created centralized mailboxes for receiving employee and department requests or questions regarding Classification and Compensation.
 - ✦ Automated the group insurance rate setting and eliminated the need for manual data entry into the system for the annual group insurance rates.
 - ✦ Re-engineered dependent certification process that now requires entering information once in the system and eliminating redundant manual data entry by the Health Insurance Team.
 - ✦ Leveraged the Employee Self Service module and provided communication to HR Liaisons and employees for updating emergency contacts and change of address to avoid the manual data entry done in the past by Core HR.

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 matters to the 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 the Office's procurement of goods and services, budget preparation, administration, and financial management of the employee health benefits fund, and management over the Records Management Section. 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.

FY19 Recommended Changes	Expenditures	FTEs
FY18 Approved	2,492,623	19.40
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	194,886	0.00
FY19 Recommended	2,687,509	19.40

Business Operations and Performance

The Business Operations and Performance Division is comprised of the Classification, Compensation, Training and Organizational Development, 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 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 and 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 FY16	Actual FY17	Estimated FY18	Target FY19	Target FY20
Customer satisfaction with training: Percentage who found training helpful to job	92.1	93.1	93.0	93.0	93.0

FY19 Recommended Changes	Expenditures	FTEs
FY18 Approved	2,316,157	13.75
Shift: Manager I Transfer from DTS	266,226	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.	35,082	0.00
FY19 Recommended	2,617,465	14.75

Recruitment and Selection

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 FY16	Actual FY17	Estimated FY18	Target FY19	Target FY20
Average satisfaction score (1-5) of departments with pools of candidates for positions, based on a survey of hiring managers	4.6	4.5	4.7	4.7	4.7
Average number of days to fill a vacant County position	82	83	75	50	50

FY19 Recommended Changes	Expenditures	FTEs
FY18 Approved	1,574,186	10.40
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(57,509)	0.00
FY19 Recommended	1,516,677	10.40

Labor and Employee Relations

Labor and Employee Relations consists of two teams: Labor and Employee Relations and Occupational Medical Services. The Labor and Employee Relations team is designed to support County managers in the areas of advice and training on labor issues, advice on related personnel policies and procedures, and the negotiation of collective bargaining agreements including competitive compensation and benefits. The Labor and Employee Relations team helps lead the collective bargaining process and provides early intervention strategies for workplace disputes to ensure that managers comply with contractual and legal requirements and improve employee labor relations.

The Occupational Medical Services team (OMS) (including Fire and Rescue Occupational Medical Services) 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 Labor and Employee Relations team also includes the County's Disability Program Manager who administers the County's Americans with Disabilities Act (ADA) program.

Program Performance Measures	Actual FY16	Actual FY17	Estimated FY18	Target FY19	Target FY20
Percentage of grievances resolved before reaching third party neutral	92	93	94	95	95

FY19 Recommended Changes	Expenditures	FTEs
FY18 Approved	3,178,275	9.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(18,637)	(1.00)
FY19 Recommended	3,159,638	8.00

EEO Compliance and Diversity Management

The Equal Employment Opportunity (EEO) and Diversity Management team ensures compliance with local, State, and Federal

discrimination laws, as well as MCPR Section, 5 related to Equal Employment Opportunity. The Division provides mandatory and customized training to employees and managers concerning equal employment and diversity management. The training also extends to civilian and public safety employees. The Division is responsible for mandated Federal and State EEO-related reporting requirements, EEO certifications, data/statistical analyses, and other EEO related reporting compliance associated with grant funding. The Division's primary responsibility is EEO compliance as it relates to the investigation of EEO complaints, monitoring departmental investigations, providing guidance and assistance to managers/supervisors related to EEO matters and resolution of EEO issues/complaints including mediation and reaching amicable resolution of EEO complaints.

FY19 Recommended Changes	Expenditures	FTEs
FY18 Approved	415,157	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.	13,736	0.00
FY19 Recommended	428,893	3.00

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, retirees, and their dependents (over 45,000 total lives) 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 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.

FY19 Recommended Changes	Expenditures	FTEs
FY18 Approved	241,971,066	14.35
Increase Cost: Claims Expenditure Adjustment	25,539,967	0.00
Decrease Cost: PIO Chargeback-MC311	(40,500)	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.	49,776	1.00
FY19 Recommended	267,520,309	15.35

BUDGET SUMMARY

	Actual FY17	Budget FY18	Estimate FY18	Recommended FY19	%Chg Bud/Rec
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COUNTY GENERAL FUND

BUDGET SUMMARY

	Actual FY17	Budget FY18	Estimate FY18	Recommended FY19	%Chg Bud/Rec
EXPENDITURES					
Salaries and Wages	4,404,971	4,343,216	4,419,783	4,633,971	6.7 %
Employee Benefits	1,225,967	1,168,914	1,116,811	1,288,279	10.2 %
County General Fund Personnel Costs	5,630,938	5,512,130	5,536,594	5,922,250	7.4 %
Operating Expenses	2,586,420	2,842,961	2,675,985	2,833,442	-0.3 %
County General Fund Expenditures	8,217,358	8,355,091	8,212,579	8,755,692	4.8 %
PERSONNEL					
Full-Time	66	68	68	69	1.5 %
Part-Time	4	3	3	3	—
FTEs	45.70	44.65	44.65	45.65	2.2 %
County General Fund Revenues	0	0	0	0	—

EMPLOYEE HEALTH SELF INSURANCE

EXPENDITURES

Salaries and Wages	1,863,066	2,378,492	1,989,298	2,490,300	4.7 %
Employee Benefits	454,501	662,703	514,857	638,354	-3.7 %
Employee Health Self Insurance Personnel Costs	2,317,567	3,041,195	2,504,155	3,128,654	2.9 %
Operating Expenses	229,614,041	240,551,178	238,884,136	266,046,145	10.6 %
Employee Health Self Insurance Expenditures	231,931,608	243,592,373	241,388,291	269,174,799	10.5 %

PERSONNEL

Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	22.30	25.25	25.25	25.25	—

REVENUES

Investment Income	188,906	110,970	124,678	204,660	84.4 %
Medicaid/Medicare Reimbursement	6,345,721	0	0	0	—
Other Charges/Fees	7,776,454	0	0	0	—
Self Insurance Employee Health Income	63,311,406	247,904,253	247,328,150	261,465,858	5.5 %
Employee Health Self Insurance Revenues	77,622,487	248,015,223	247,452,828	261,670,518	5.5 %

GRANT FUND - MCG

EXPENDITURES

Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Grant Fund - MCG Personnel Costs	0	0	0	0	—
Operating Expenses	855	0	0	0	—
Grant Fund - MCG Expenditures	855	0	0	0	—

PERSONNEL

Full-Time	0	0	0	0	—
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BUDGET SUMMARY

	Actual FY17	Budget FY18	Estimate FY18	Recommended FY19	%Chg Bud/Rec
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—
REVENUES					
Miscellaneous Revenues	(8,562)	0	0	0	—
Grant Fund - MCG Revenues	(8,562)	0	0	0	—

DEPARTMENT TOTALS

Total Expenditures	240,149,821	251,947,464	249,600,870	277,930,491	10.3 %
Total Full-Time Positions	66	68	68	69	1.5 %
Total Part-Time Positions	4	3	3	3	—
Total FTEs	68.00	69.90	69.90	70.90	1.4 %
Total Revenues	77,613,925	248,015,223	247,452,828	261,670,518	5.5 %

FY19 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY18 ORIGINAL APPROPRIATION	8,355,091	44.65
<u>Other Adjustments (with no service impacts)</u>		
Shift: Manager I Transfer from DTS [Business Operations and Performance]	266,226	1.00
Increase Cost: FY19 Compensation Adjustment	112,449	0.00
Increase Cost: Annualization of FY18 Personnel Costs	51,419	0.00
Increase Cost: Printing and Mail	481	0.00
Decrease Cost: Elimination of One-Time Items Approved in FY18	(10,000)	0.00
Decrease Cost: Retirement Adjustment	(19,974)	0.00
FY19 RECOMMENDED	8,755,692	45.65
EMPLOYEE HEALTH SELF INSURANCE		
FY18 ORIGINAL APPROPRIATION	243,592,373	25.25
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Claims Expenditure Adjustment [Health & Employee Welfare]	25,539,967	0.00
Increase Cost: FY19 Compensation Adjustment	58,651	0.00
Increase Cost: Annualization of FY18 Personnel Costs	23,583	0.00
Increase Cost: Retirement Adjustment	725	0.00
Decrease Cost: PIO Chargeback-MC311 [Health & Employee Welfare]	(40,500)	0.00
FY19 RECOMMENDED	269,174,799	25.25

PROGRAM SUMMARY

Program Name	FY18 APPR Expenditures	FY18 APPR FTEs	FY19 REC Expenditures	FY19 REC FTEs
Director's Office	2,492,623	19.40	2,687,509	19.40
Business Operations and Performance	2,316,157	13.75	2,617,465	14.75
Recruitment and Selection	1,574,186	10.40	1,516,677	10.40
Labor and Employee Relations	3,178,275	9.00	3,159,638	8.00
EEO Compliance and Diversity Management	415,157	3.00	428,893	3.00
Health & Employee Welfare	241,971,066	14.35	267,520,309	15.35
Total	251,947,464	69.90	277,930,491	70.90

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY18 Total\$	FY18 FTES	FY19 Total\$	FY19 FTES
COUNTY GENERAL FUND					
Fire and Rescue Service	Fire	1,315,010	0.00	1,423,318	0.00
Police	General Fund	286,846	2.00	295,333	2.00
NDA - Montgomery County Employee Retirement Plans	Employees Retirement Savings Plan (RSP)	23,453	0.20	24,209	0.20
NDA - Montgomery County Employee Retirement Plans	Retirement Fund (ERS)	208,312	0.40	207,290	0.40
NDA - Montgomery County Employee Retirement Plans	Non-Appropriated Funds	25,880	0.00	34,740	0.00
Total		1,859,501	2.60	1,984,890	2.60

FUTURE FISCAL IMPACTS

CE RECOMMENDED (\$000S)

Title	FY19	FY20	FY21	FY22	FY23	FY24
COUNTY GENERAL FUND						
EXPENDITURES						
FY19 Recommended	8,756	8,756	8,756	8,756	8,756	8,756
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	62	62	62	62	62
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	8,756	8,818	8,818	8,818	8,818	8,818
EMPLOYEE HEALTH SELF INSURANCE						
EXPENDITURES						
FY19 Recommended	269,175	269,175	269,175	269,175	269,175	269,175

FUTURE FISCAL IMPACTS

CE RECOMMENDED (\$000S)

Title	FY19	FY20	FY21	FY22	FY23	FY24
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	32	32	32	32	32
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	269,175	269,207	269,207	269,207	269,207	269,207