



Human Resources

RECOMMENDED FY20 BUDGET

\$281,820,607

FULL TIME EQUIVALENTS

68.65

KAREN PLUCINSKI, ACTING 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 FY20 Operating Budget for the Office of Human Resources is \$281,820,607, an increase of \$14,390,116 or 5.38 percent from the FY19 Approved Budget of \$267,430,491. Personnel Costs comprise 3.20 percent of the budget for 68 full-time position(s) and two part-time position(s), and a total of 68.65 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 96.80 percent of the FY20 budget.

The Office of Human Resources Budget is comprised of a General Fund component of \$8,947,599 and a Employee Health Benefit Self Insurance Fund component of \$272,873,008.

COUNTY PRIORITY OUTCOMES

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

Effective, Sustainable 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 FY19 estimates reflect funding based on the FY19 Approved Budget. The FY20 and FY21 figures are performance targets based on the FY20 Recommended Budget and funding for comparable service levels in FY21.

Measure	Actual FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Multi-Program Measures					
Average customer satisfaction rating (1-4) on the yearly internal customer survey of County managers	3.09	3.07	3.10	3.30	3.50

INITIATIVES

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- ★ Creating an automated training notification for Managers and HR Liaisons to monitor employees compliance with mandatory trainings.
 - ★ Developing on-line, computer-based learning strategies to complement existing instructor lead training. Piloting Preventing Workplace Harassment training in Spring 2019.
 - ★ Initiated the formal bid process to procure contracts for a new pharmacy benefits manager, Flexible Spending Account and Direct Bill/COBRA Administrator with the goal to obtain products and services at prices that are competitive for each service area.
 - ★ Create a cross-functional project team to develop and execute a comprehensive background investigation policy and procedures.
 - ★ Research innovative ways of on-boarding and expediting college and high school students interested in internship opportunities within County government.
 - ★ Increase focus and awareness on mental health issues and design program offerings for various County agencies based on their needs.
 - ★ Expand wellness program offerings for high-risk employee populations to address key topics including managing stress, weight loss strategies, and diabetes prevention and measures to combat the disease.
 - ★ Offer programs that encompass all dimensions of wellbeing including emotional, financial, intellectual, occupational, physical, social, and spiritual.
 - ★ Initiate project to move toward a paperless Benefits Open Enrollment process to allow employees greater flexibility when considering changes to or signing up for new benefits during annual Open Enrollment.

ACCOMPLISHMENTS

- ☑ Received the Alliance for Workplace Excellence Awards including the Workplace Seal of Approval, Health and Wellness Seal of Approval, Diversity Champion Award, Ecoleadership Award, Best Practices Supporting Workers' of All Abilities Award, and Best Practices Supporting 50+ Award.
- ☑ Implemented group insurance contracts with new dental, life, vision, and long-term disability vendors, which resulted in savings to the County and additional value added benefits not previously offered, including hearing aid discounts and legal services.
- ☑ Provided employability skills training and workplace internships for 57 participants through the Project SEARCH program since September 2012, with an employment rate for Montgomery County and partners of 60 percent (26 positions).
- ☑ Enhanced the Lieutenant's promotional exam process for the Department of Correction and Rehabilitation to increase the pool of well-qualified candidates.
- ☑ Enhanced marketing materials used at Career Fairs and proactively outreached to universities and professional associations to strengthen and attract a diverse and well-qualified pool of candidates for Montgomery County positions.
- ☑ Trained over 200 MLS managers on effectively using Conflict Facilitation techniques as part of the County's informal dispute resolution processes.
- ☑ Expanded Wellness webinar library to allow shift workers to participate in on-line webinars at a time that is convenient for their schedules.
- ☑ Increased Virgin Pulse platform enrollment from 54.6 percent to 60 percent and engagement remains steady at about 50 percent, placing the County above all of the Contractor's average book of business in both categories.

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- ✔ Created and implemented the Police Leadership Service Compensation Plan through Executive Regulation, which amended the Code of Maryland Regulations to create a new Police Leadership (PLS) salary schedule to include sworn police managers' schedule and aligned salary increases with performance.
 - ✔ Developed a comprehensive leadership development strategy to support key business priorities and enable County leadership and management to perform at their fullest potential in delivering quality services to our residents in a time of rising demands for service and constrained resources. In the past six months, over 1,000 managers participated in the MLS LEADS program offerings.

INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

- ✦ Implemented an automated process for granting Merit Status to probationary employees that removed the requirement for HR Liaisons to process individual memos for each employee at the time they are granted Merit status.
- ✦ Implemented the Temporary and Probationary Promotional Oracle fields and dashboards to ensure HR Liaisons have the necessary tools to track and manage all promoted employees.
- ✦ Created a service level agreement with departmental hiring managers to provide the eligible list of candidates within seven to ten business days.
- ✦ Trained over 75 percent of the HR Liaison community on the Wage Equity Guidelines to improve productivity and timeline for approvals.

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.

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved	2,687,509	19.40
Decrease Cost: Office Supplies	(3,885)	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.	374,085	2.00
FY20 Recommended	3,057,709	21.40

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 FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Customer satisfaction with training: Percentage who found training helpful to job	93.1	92.0	93.0	93.0	93.0

FY20 Recommended Changes	Expenditures	FTEs
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FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved	2,617,465	14.75
Decrease Cost: Management Training Programs	(19,870)	0.00
Decrease Cost: Partial Suspension of Senior Fellows Program	(50,000)	(0.50)
Decrease Cost: Tuition Assistance	(50,000)	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.	(246,610)	(1.75)
FY20 Recommended	2,250,985	12.50

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 FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Average satisfaction score (1-5) of departments with pools of candidates for positions, based on a survey of hiring managers	4.5	4.5	4.6	4.6	4.7
Average number of days to fill a vacant County position	83	91	90	89	85

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved	1,516,677	10.40
Eliminate: Abolish M1 Position (General Fund)	(107,281)	(0.40)
Eliminate: Abolish M1 Position (Employee Health Self Insurance Fund)	(160,922)	(0.60)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	349,136	1.00
FY20 Recommended	1,597,610	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 FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Percentage of grievances resolved before reaching third party neutral	93	98	98	98	98

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved	3,159,638	8.00
Enhance: OMS Contractor Support	223,225	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.	(118,137)	(1.00)
FY20 Recommended	3,264,726	7.00

☀ 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.

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved	428,893	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.	12,599	0.00
FY20 Recommended	441,492	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 people) 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.

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved	257,020,309	15.35
Increase Cost: Claims Expenditure Adjustment	14,222,066	0.00
Increase Cost: Adjustment to Administrative Operating Expenses	129,640	0.00
Shift: Position Transfer - from HHS to Police Stress Management	114,241	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.	(278,171)	(2.00)
FY20 Recommended	271,208,085	14.35

BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Recommended FY20	%Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	4,280,772	4,633,971	4,445,545	4,708,646	1.6 %
Employee Benefits	1,121,508	1,288,279	1,093,112	1,342,913	4.2 %
County General Fund Personnel Costs	5,402,280	5,922,250	5,538,657	6,051,559	2.2 %
Operating Expenses	2,786,833	2,833,442	2,994,917	2,896,040	2.2 %
County General Fund Expenditures	8,189,113	8,755,692	8,533,574	8,947,599	2.2 %
PERSONNEL					
Full-Time	68	69	69	68	-1.5 %
Part-Time	3	3	3	2	-33.3 %
FTEs	44.65	45.65	45.65	45.00	-1.4 %
County General Fund Revenues	0	0	0	0	—
EMPLOYEE HEALTH SELF INSURANCE					
EXPENDITURES					
Salaries and Wages	1,924,142	2,490,300	2,146,064	2,284,977	-8.2 %
Employee Benefits	496,135	638,354	507,768	690,180	8.1 %
Employee Health Self Insurance Personnel Costs	2,420,277	3,128,654	2,653,832	2,975,157	-4.9 %
Operating Expenses	241,872,087	255,546,145	245,813,159	269,897,851	5.6 %
Employee Health Self Insurance Expenditures	244,292,364	258,674,799	248,466,991	272,873,008	5.5 %
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	25.25	25.25	25.25	23.65	-6.3 %
REVENUES					
Investment Income	267,611	204,660	527,600	562,010	174.6 %
Medicaid/Medicare Reimbursement	1,236,005	0	0	0	—
Other Charges/Fees	6,512,529	0	0	0	—
Self Insurance Employee Health Income	64,309,242	261,465,858	260,184,453	281,967,908	7.8 %

BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Recommended FY20	%Chg Bud/Rec
Employee Health Self Insurance Revenues	72,325,387	261,670,518	260,712,053	282,529,918	8.0 %
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	7,676	0	0	0	—
Grant Fund - MCG Expenditures	7,676	0	0	0	—
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—
REVENUES					
Miscellaneous Revenues	7,676	0	0	0	—
Grant Fund - MCG Revenues	7,676	0	0	0	—
DEPARTMENT TOTALS					
Total Expenditures	252,489,153	267,430,491	257,000,565	281,820,607	5.4 %
Total Full-Time Positions	68	69	69	68	-1.4 %
Total Part-Time Positions	3	3	3	2	-33.3 %
Total FTEs	69.90	70.90	70.90	68.65	-3.2 %
Total Revenues	72,333,063	261,670,518	260,712,053	282,529,918	8.0 %

FY20 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY19 ORIGINAL APPROPRIATION	8,755,692	45.65
<u>Changes (with service impacts)</u>		
Enhance: OMS Contractor Support [Labor and Employee Relations]	223,225	0.00
Eliminate: Abolish M1 Position (General Fund) [Recruitment and Selection]	(107,281)	(0.40)
Reduce: Labor Negotiations Support	(176,473)	(1.00)
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: FY20 Compensation Adjustment	173,377	0.00
Shift: Position Transfer - from HHS to Police Stress Management [Health & Employee Welfare]	114,241	1.00
Increase Cost: Annualization of FY19 Personnel Costs	74,759	0.25
Increase Cost: Retirement Adjustment	13,814	0.00
Decrease Cost: Office Supplies [Director's Office]	(3,885)	0.00

FY20 RECOMMENDED CHANGES

	Expenditures	FTEs
Decrease Cost: Management Training Programs [Business Operations and Performance]	(19,870)	0.00
Decrease Cost: Partial Suspension of Senior Fellows Program [Business Operations and Performance]	(50,000)	(0.50)
Decrease Cost: Tuition Assistance [Business Operations and Performance]	(50,000)	0.00
FY20 RECOMMENDED	8,947,599	45.00

EMPLOYEE HEALTH SELF INSURANCE

	FY19 ORIGINAL APPROPRIATION	258,674,799	25.25
Changes (with service impacts)			
Eliminate: Abolish M1 Position (Employee Health Self Insurance Fund) [Recruitment and Selection]	(160,922)		(0.60)
Other Adjustments (with no service impacts)			
Increase Cost: Claims Expenditure Adjustment [Health & Employee Welfare]	14,222,066		0.00
Increase Cost: Adjustment to Administrative Operating Expenses [Health & Employee Welfare]	129,640		0.00
Increase Cost: FY20 Compensation Adjustment	88,665		0.00
Increase Cost: Retirement Adjustment	7,943		0.00
Decrease Cost: Annualization of FY19 Personnel Costs	(89,183)		(1.00)
FY20 RECOMMENDED	272,873,008		23.65

PROGRAM SUMMARY

Program Name	FY19 APPR Expenditures	FY19 APPR FTEs	FY20 REC Expenditures	FY20 REC FTEs
Director's Office	2,687,509	19.40	3,057,709	21.40
Business Operations and Performance	2,617,465	14.75	2,250,985	12.50
Recruitment and Selection	1,516,677	10.40	1,597,610	10.40
Labor and Employee Relations	3,159,638	8.00	3,264,726	7.00
EEO Compliance and Diversity Management	428,893	3.00	441,492	3.00
Health & Employee Welfare	257,020,309	15.35	271,208,085	14.35
Total	267,430,491	70.90	281,820,607	68.65

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY19 Total\$	FY19 FTEs	FY20 Total\$	FY20 FTEs
COUNTY GENERAL FUND					
Fire and Rescue Service	Fire	1,423,318	0.00	1,591,025	0.00
Police	General Fund	295,333	2.00	307,101	2.00
NDA - Montgomery County Employee Retirement Plans	Employees Retirement Savings Plan (RSP)	24,209	0.20	26,230	0.20

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY19	FY19	FY20	FY20
		Total\$	FTES	Total\$	FTES
NDA - Montgomery County Employee Retirement Plans	Retirement Fund (ERS)	207,290	0.40	186,251	0.40
NDA - Montgomery County Employee Retirement Plans	Non-Appropriated Funds	34,740	0.00	26,390	0.00
Total		1,984,890	2.60	2,136,997	2.60

FUTURE FISCAL IMPACTS

CE RECOMMENDED (\$000S)

Title	FY20	FY21	FY22	FY23	FY24	FY25
COUNTY GENERAL FUND						
EXPENDITURES						
FY20 Recommended	8,948	8,948	8,948	8,948	8,948	8,948
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	16	16	16	16	16
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	8,948	8,964	8,964	8,964	8,964	8,964
EMPLOYEE HEALTH SELF INSURANCE						
EXPENDITURES						
FY20 Recommended	272,873	272,873	272,873	272,873	272,873	272,873
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	11	11	11	11	11
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	272,873	272,884	272,884	272,884	272,884	272,884