

Human Resources

MISSION STATEMENT

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

BUDGET OVERVIEW

The total approved FY10 Operating Budget for the Office of Human Resources is \$182,823,230, an increase of \$11,024,070 or 6.4 percent from the FY09 Approved Budget of \$171,799,160. Personnel Costs comprise 3.4 percent of the budget for 80 full-time positions and six part-time positions for 57.4 workyears. Operating Expenses account for the remaining 96.6 percent of the FY10 budget.

LINKAGE TO COUNTY RESULT AREAS

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

❖ **A Responsive, Accountable County Government**

DEPARTMENT PERFORMANCE MEASURES

This table presents the department's headline measures or submeasures that relate to multiple programs including projections from FY09 through FY11. These estimates reflect funding based on the FY09 savings plan, the FY10 budget, and funding for comparable service levels in FY11.

Measure	Actual FY07	Actual FY08	Estimated FY09	Approved FY10	Projected FY11
Headline Measures					
Average customer satisfaction rating on the yearly internal customer survey of County managers ¹	2.71	2.73	2.75	2.80	2.83
Customer satisfaction with training: Percentage who found training helpful to job	86	91	86	86	86
Customer satisfaction with training: Percentage who found training helpful to development	91	90	87	87	87
Average number of days to fill a vacant County position	80	47	90	90	90
Average number of sick leave hours used per active career employee	68	85	70	70	70
Average satisfaction of departments with pools of candidates for positions ²	4.3	4.0	4.3	4.3	4.3
Multi-Program Measures					
Percentage of separating employees satisfied with compensation and benefits	98.5	98.5	98.5	99	99
Employee turnover as a percentage of total workforce	6.2	6.6	6.7	6.8	6.8

¹ The satisfaction scale ranges from low (1) to high (4).

² The satisfaction scale ranges from low (1) to high (5).

ACCOMPLISHMENTS AND INITIATIVES

- ❖ **Developed and successfully deployed in 2008 a Retirement Incentive Plan which generated an additional 150 retirements with expected cost savings in excess of \$5 million.**
- ❖ **Expanded the County's prescription drug plan to include utilization management review of mandatory generic and mail order programs with an expected cost savings of \$1 million.**
- ❖ **Successfully rolled out ePAF (Electronic Personnel Action Form) as a pilot in one of the largest agencies, the Department of Health and Human Services. Improvements in tracking personnel actions, reducing processing errors, electronic transmission of notifications, and electronic imaging of actions have been realized.**
- ❖ **Initiated email triggers/notifications to applicants throughout the employment process on status (application received, rating determination, whether or not on the eligible list, and confirmation that position has been filled).**

- ❖ **Improved on-line application process to include paperless on-line resume submission, enhanced Resume Builder, more user-friendly job description page, enhanced sign-in page, Single Sign On for in-house users, and a short application form for public safety promotional examinations.**
- ❖ **Partnered with Montgomery College to provide training programs at costs below the national training industry standards. In FY08, over 766 training programs were provided at an average cost for computer training of \$800 for a full-day class and \$450 for a half-day class. The average cost for professional development training is \$950 for a full-day class and \$650 for a half-day class.**
- ❖ **Expanded the Computer Based Training Programs in FY08 and FY09 to include:**
 - o **Security Awareness and Training Program (ISATP)**
 - o **e-Perform: Understanding the Performance Evaluation Process**
 - o **Random Moment Time Study (RMTS)**
 - o **Health Insurance Portability and Accountability Act (HIPAA) Basic Training**
 - o **Performance and Quality Improvement (PQI) Training**

PROGRAM CONTACTS

Contact George Addae-Mintah of the Office of Human Resources at 240.777.5039 or Lori O'Brien of the Office of Management and Budget at 240.777.2788 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Director's Office

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

FY10 Approved Changes	Expenditures	WYs
FY09 Approved	894,150	4.0
Decrease Cost: Additional Lapse Savings	-17,270	-0.2
Decrease Cost: Outside Training and Related Travel	-30,000	0.0
Decrease Cost: Allocation of Savings Associated with MC311 Efficiencies	-115,500	0.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-14,550	0.0
FY10 Approved	716,830	3.8

Notes: The Office of Human Resources reorganized in FY09, contributing to the miscellaneous decrease. Reductions associated with MC311 efficiencies and a department-wide lapse increase were also both taken in the Director's Office budget; these reductions will be distributed to other programs after the program-level impact is determined.

Business Operations and Performance

The Business Operations and Performance division is comprised of the Classification, Compensation, Records Management, and the Administration teams.

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

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

FY10 Approved Changes	Expenditures	WYs
FY09 Approved	2,196,490	14.5

	Expenditures	WYs
Decrease Cost: Consultant Services Budget	-10,000	0.0
Decrease Cost: Contractor and Temporary Office Clerical Expenses	-18,220	0.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-144,250	1.0
FY10 Approved	2,024,020	15.5

Notes: The Office of Human Resources reorganized in FY09, contributing to the miscellaneous decrease.

Change Management, Training, and Organizational Development

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

Program Performance Measures	Actual FY07	Actual FY08	Estimated FY09	Approved FY10	Projected FY11
Customer satisfaction with training: Percentage who found training helpful to job	86	91	86	86	86
Customer satisfaction with training: Percentage who found training helpful to development	91	90	87	87	87

FY10 Approved Changes	Expenditures	WYs
FY09 Approved	1,831,730	6.8
Increase Cost: Labor Contract - Other (Tuition Assistance)	54,990	0.0
Decrease Cost: Management/Leadership and Professional/Licensure Training	-15,000	0.0
Decrease Cost: Underfill Vacant Human Resources Specialist III with a Public Administration Intern	-47,400	0.0
Decrease Cost: Part-time Backfill to a Full-time Human Resources Specialist III	-58,770	-0.5
Decrease Cost: Lapse Vacant Position	-66,790	-0.6
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	150	0.4
FY10 Approved	1,698,910	6.1

Selection and Recruitment

The Recruitment and Selection team is responsible for attracting, hiring, and promoting 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, provides guidance to departments and agencies on selection and hiring, conducts new employee orientation, administers reduction-in-force, and designs and administers public safety promotional examinations and other employment tests.

Program Performance Measures	Actual FY07	Actual FY08	Estimated FY09	Approved FY10	Projected FY11
Average number of days to fill a vacant County position	80	47	90	90	90
Average satisfaction of departments with pools of candidates for positions ¹	4.3	4.0	4.3	4.3	4.3

¹ The satisfaction scale ranges from low (1) to high (5).

FY10 Approved Changes	Expenditures	WYs
FY09 Approved	1,577,070	9.4
Decrease Cost: Abolish Vacant Human Resources Specialist III Position	-75,060	-1.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-118,700	1.0
FY10 Approved	1,383,310	9.4

Notes: The Office of Human Resources reorganized in FY09, contributing to the miscellaneous decrease.

Labor and Employee Relations

The Employee/Labor 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 through collective bargaining and by providing early intervention strategies in workplace disputes in order to enable managers to comply with contractual and legal

requirements and improve employee labor relations. Services include: the administration of the grievance processes through Alternative Dispute Resolution and/or formal grievance meetings to address employee/management disputes concerning alleged violations; assisting departments and agencies with labor related and employee relations issues through training workshops and consultation; reviewing proposed adverse and disciplinary actions; developing personnel policies and regulations changes; and overseeing bilateral work groups and committees.

FY10 Approved Changes	Expenditures	WYs
FY09 Approved	1,049,340	5.8
Increase Cost: Labor Agreement Term Negotiations	137,000	0.0
Decrease Cost: Consultant Services and Training	-25,000	0.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-187,590	0.0
FY10 Approved	973,750	5.8

Notes: The Office of Human Resources reorganized in FY09, contributing to the miscellaneous decrease.

Equal Employment Opportunity and Diversity

The Equal Employment Opportunity (EEO) and Diversity Management team provides assistance, guidance, and training to employees and managers concerning equal employment and diversity management in order to promote a discrimination free workplace that values diversity. The team also investigates complaints of harassment and discrimination by and against employees. Additional services and programs include mediation program, EEO compliance training, workplace harassment training, and the annual Montgomery County Diversity celebration. This program also supports the Montgomery County Diversity Council and participates in the ADA Task Force, Community Outreach Forum, Limited English Proficiency Committee, Diversity Health Fair, Diversity Educational Fair, the Juneteenth Program, Black History Month program, and co-sponsors events with the various employee organizations. The team is responsible for the production of the annual EEO and Diversity Action Plan and complying with other Federal EEO-related reporting requirements and statistical analysis.

Program Performance Measures	Actual FY07	Actual FY08	Estimated FY09	Approved FY10	Projected FY11
Number of County job groups in which minorities are underrepresented ¹	40	39	38	36	36

¹ In FY08, the County had over 900 job groups.

FY10 Approved Changes	Expenditures	WYs
FY09 Approved	476,540	4.0
Decrease Cost: Fairs/Career Days Operating Expenses	-500	0.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-57,290	-0.2
FY10 Approved	418,750	3.8

Notes: The Office of Human Resources reorganized in FY09, contributing to the miscellaneous decrease.

Benefits and Information Management

The Benefits and Information Management program is comprised of the Employee Benefits team and the Information Technology team. The Employee Benefits team manages the County's group insurance and retirement benefit programs, including the 457 deferred compensation plan. In addition to maintaining operations associated with benefit eligibility and payment processing, the team provides customer service, education, and consulting to County employees, participating County agencies, and retirees in a manner that ensures an understanding of benefit program provisions and their value as part of total compensation. Services include: conducting presentations and workshops; retirement and investment counseling; benefit processing and eligibility maintenance, development, and administrative oversight of all benefit plans and related communication; COBRA; and ensuring legal compliance. The Information Technology team provides management and oversight to the Department's information technology initiatives.

FY10 Approved Changes	Expenditures	WYs
FY09 Approved	161,779,540	10.3
Increase Cost: Increase in Estimated Claims Costs and Carrier Administration Charges	12,103,000	0.0
Increase Cost: Annualization of FY09 Lapsed Positions	9,040	0.1
Increase Cost: Service Increment	6,170	0.0
Increase Cost: Retirement Adjustment	2,910	0.0
Increase Cost: Group Insurance Adjustment	1,390	0.0
Increase Cost: Printing and Mail Adjustments	1,260	0.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-194,750	-1.4
FY10 Approved	173,708,560	9.0

Notes: The Office of Human Resources reorganized in FY09, contributing to the miscellaneous decrease.

Occupational Medical Services

The Occupational Medical Services (OMS) program provides multi-disciplinary occupational medical services, including health promotion, work-related medical and safety hazard assessments, and employee disability management in order to promote the health, wellness, and productivity of the County workforce. Services include: comprehensive medical evaluations of employees to determine their state of health vis-a-vis employment; providing early identification of health risks and diseases; ensuring equal job opportunities through reasonable accommodation of disabled persons in the workplace; and improving personal well-being and workforce health and health awareness through a comprehensive employee wellness program that utilizes the Employee Assistance Program (EAP) and an employee wellness provider. Occupational Medical Services also manages the Disability Retirement Program and the medical services component of the Fire and Rescue Service's Wellness Initiative.

FY10 Approved Changes	Expenditures	WYs
FY09 Approved	1,994,300	4.0
Shift: Stress Management Operating Expenditures (from Police)	7,000	0.0
Decrease Cost: Consolidate FROMS and OMS Professional Physician Contracts Into One Fixed-Price Contract, Effective January 1, 2010	-179,700	0.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	77,500	0.0
FY10 Approved	1,899,100	4.0

Notes: Miscellaneous adjustments include elimination of one-time items approved in FY09. These items include labor contract costs and Occupational Medical Services item including the purchase of bio-packs and physical exams for non-Commercial Drivers License holders. In addition, the Office of Human Resources reorganized in FY09, contributing to the miscellaneous increase.

BUDGET SUMMARY

	Actual FY08	Budget FY09	Estimated FY09	Approved FY10	% Chg Bud/App
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	4,037,750	4,625,930	3,884,830	3,789,540	-18.1%
Employee Benefits	1,129,931	1,100,970	1,081,320	1,135,480	3.1%
County General Fund Personnel Costs	5,167,681	5,726,900	4,966,150	4,925,020	-14.0%
Operating Expenses	3,743,503	3,796,070	4,091,590	3,597,390	-5.2%
Capital Outlay	0	0	0	0	—
County General Fund Expenditures	8,911,184	9,522,970	9,057,740	8,522,410	-10.5%
PERSONNEL					
Full-Time	81	80	80	80	—
Part-Time	5	4	4	6	50.0%
Workyears	50.6	46.6	46.6	45.6	-2.1%
EMPLOYEE HEALTH BENEFIT SELF INSURANCE FUND					
EXPENDITURES					
Salaries and Wages	448,483	1,011,420	827,280	956,860	-5.4%
Employee Benefits	236,806	314,850	234,670	289,780	-8.0%
Employee Health Benefit Self Insurance Fund Pers.Costs	685,289	1,326,270	1,061,950	1,246,640	-6.0%
Operating Expenses	145,279,961	160,949,920	157,295,190	173,054,180	7.5%
Capital Outlay	0	0	0	0	—
Employee Health Benefit Self Insurance Fund Exp.	145,965,250	162,276,190	158,357,140	174,300,820	7.4%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	11.0	12.2	12.2	11.8	-3.3%
REVENUES					
Self Insurance Employee Health Income	150,625,670	157,327,120	157,361,450	168,036,560	6.8%
Investment Income	1,368,150	369,180	103,100	95,840	-74.0%
Employee Health Benefit Self Insurance Fund Revenues	151,993,820	157,696,300	157,464,550	168,132,400	6.6%
DEPARTMENT TOTALS					
Total Expenditures	154,876,434	171,799,160	167,414,880	182,823,230	6.4%
Total Full-Time Positions	81	80	80	80	—
Total Part-Time Positions	5	4	4	6	50.0%
Total Workyears	61.6	58.8	58.8	57.4	-2.4%
Total Revenues	151,993,820	157,696,300	157,464,550	168,132,400	6.6%

FY10 APPROVED CHANGES

	Expenditures	WYs
COUNTY GENERAL FUND		
FY09 ORIGINAL APPROPRIATION	9,522,970	46.6
Other Adjustments (with no service impacts)		
Increase Cost: Labor Agreement Term Negotiations [Labor and Employee Relations]	137,000	0.0
Increase Cost: Annualization of FY09 Operating Expenses	115,960	0.0
Increase Cost: Labor Contract - Other (Tuition Assistance) [Change Management, Training, and Organizational Development]	54,990	0.0
Increase Cost: Service Increment	29,300	0.0
Increase Cost: Retirement Adjustment	21,320	0.0
Increase Cost: Annualization of FY09 Service Increment	10,200	0.0
Increase Cost: Printing and Mail Adjustments	8,810	0.0
Increase Cost: Group Insurance Adjustment	7,220	0.0
Shift: Stress Management Operating Expenditures (from Police) [Occupational Medical Services]	7,000	0.0
Technical Adj: Technical Adjustment	0	1.8
Decrease Cost: Fairs/Career Days Operating Expenses [Equal Employment Opportunity and Diversity]	-500	0.0
Decrease Cost: Central Duplicating Deficit Recovery Charge	-1,060	0.0
Decrease Cost: Consultant Services Budget [Business Operations and Performance]	-10,000	0.0
Decrease Cost: Management/Leadership and Professional/Licensure Training [Change Management, Training, and Organizational Development]	-15,000	0.0
Decrease Cost: Additional Lapse Savings [Director's Office]	-17,270	-0.2
Decrease Cost: Contractor and Temporary Office Clerical Expenses [Business Operations and Performance]	-18,220	0.0
Decrease Cost: Consultant Services and Training [Labor and Employee Relations]	-25,000	0.0

	Expenditures	WYs
Decrease Cost: Outside Training and Related Travel [Director's Office]	-30,000	0.0
Decrease Cost: Underfill Vacant Human Resources Specialist III with a Public Administration Intern [Change Management, Training, and Organizational Development]	-47,400	0.0
Decrease Cost: Part-time Backfill to a Full-time Human Resources Specialist III [Change Management, Training, and Organizational Development]	-58,770	-0.5
Decrease Cost: Lapse Vacant Position [Change Management, Training, and Organizational Development]	-66,790	-0.6
Decrease Cost: Retirement Incentive Program (RIP) Savings	-74,090	0.0
Decrease Cost: Abolish Vacant Human Resources Specialist III Position [Selection and Recruitment]	-75,060	-1.0
Decrease Cost: Reduce Contractor and Miscellaneous Administrative Charges	-109,290	0.0
Decrease Cost: Allocation of Savings Associated with MC311 Efficiencies [Director's Office]	-115,500	0.0
Decrease Cost: Elimination of One-Time Items Approved in FY09	-133,670	0.0
Decrease Cost: Consolidate FROMS and OMS Professional Physician Contracts Into One Fixed-Price Contract, Effective January 1, 2010 [Occupational Medical Services]	-179,700	0.0
Decrease Cost: Hold Backfills for 3 Positions Assigned to CIP Technology Modernization Project Open For 6 Months	-182,140	-1.5
Increase Cost: Annualization of FY09 Personnel Costs	-232,900	1.0
FY10 APPROVED:	8,522,410	45.6

EMPLOYEE HEALTH BENEFIT SELF INSURANCE FUND

FY09 ORIGINAL APPROPRIATION	162,276,190	12.2
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Increase in Estimated Claims Costs and Carrier Administration Charges [Benefits and Information Management]	12,103,000	0.0
Increase Cost: Annualization of FY09 Lapsed Positions [Benefits and Information Management]	9,040	0.1
Increase Cost: Service Increment [Benefits and Information Management]	6,170	0.0
Increase Cost: Retirement Adjustment [Benefits and Information Management]	2,910	0.0
Increase Cost: Group Insurance Adjustment [Benefits and Information Management]	1,390	0.0
Increase Cost: Printing and Mail Adjustments [Benefits and Information Management]	1,260	0.0
Technical Adj: Technical Adjustment	0	-0.5
Increase Cost: Annualization of FY09 Personnel Costs	-99,140	0.0
FY10 APPROVED:	174,300,820	11.8

PROGRAM SUMMARY

Program Name	FY09 Approved		FY10 Approved	
	Expenditures	WYs	Expenditures	WYs
Director's Office	894,150	4.0	716,830	3.8
Business Operations and Performance	2,196,490	14.5	2,024,020	15.5
Change Management, Training, and Organizational Development	1,831,730	6.8	1,698,910	6.1
Selection and Recruitment	1,577,070	9.4	1,383,310	9.4
Labor and Employee Relations	1,049,340	5.8	973,750	5.8
Equal Employment Opportunity and Diversity	476,540	4.0	418,750	3.8
Benefits and Information Management	161,779,540	10.3	173,708,560	9.0
Occupational Medical Services	1,994,300	4.0	1,899,100	4.0
Total	171,799,160	58.8	182,823,230	57.4

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY09		FY10	
		Total\$	WYs	Total\$	WYs
COUNTY GENERAL FUND					
CIP	CIP	1,020,050	8.4	1,078,660	8.6
Fire and Rescue Service	Fire	2,215,610	2.0	1,962,760	2.0
Fleet Management Services	Motor Pool Internal Service Fund	100,390	0.2	81,250	0.2
Health and Human Services	County General Fund	76,970	0.2	71,520	0.1
Liquor Control	Liquor Control	74,050	0.1	61,880	0.1
Parking District Services	Bethesda Parking District	7,230	0.0	4,950	0.0
Parking District Services	Montgomery Hills Parking District	150	0.0	90	0.0
Parking District Services	Silver Spring Parking District	7,720	0.0	5,720	0.0
Parking District Services	Wheaton Parking District	1,080	0.0	770	0.0
Permitting Services	Permitting Services	16,060	0.0	10,170	0.0
Police	County General Fund	728,880	6.5	240,600	2.0

Charged Department	Charged Fund	FY09		FY10	
		Total\$	WYs	Total\$	WYs
Recreation	Recreation	12,100	0.0	46,930	0.1
Solid Waste Services	Solid Waste Collection	340	0.0	330	0.0
Solid Waste Services	Solid Waste Disposal	2,740	0.0	2,580	0.0
Transit Services	Mass Transit	399,290	0.7	431,090	0.8
Transportation	Vacuum Leaf Collection	1,130	0.0	1,420	0.0
Urban Districts	Bethesda Urban District	40	0.0	30	0.0
Urban Districts	Silver Spring Urban District	1,940	0.0	930	0.0
Urban Districts	Wheaton Urban District	1,220	0.0	570	0.0
Total		4,666,990	18.1	4,002,250	13.9