

HHS COMMITTEE #1  
April 13, 2015

## MEMORANDUM

April 9, 2015

TO: Health and Human Services Committee  
FROM: Jean Arthur, Legislative Analyst  
SUBJECT: **FY16 Operating Budget: Office of Human Rights**

Those expected to attend this worksession include:  
James Stowe, Director, Office of Human Rights  
Phil Weeda, OMB

Relevant pages from the FY16 Recommended Operating Budget are attached on ©1-4.

### **Budget Summary:**

- This is a “same services” budget with no new programs or personnel. There is a small increase in operating costs for the biennial Hall of Fame recognition. The other increases are attributable to general compensation adjustments.

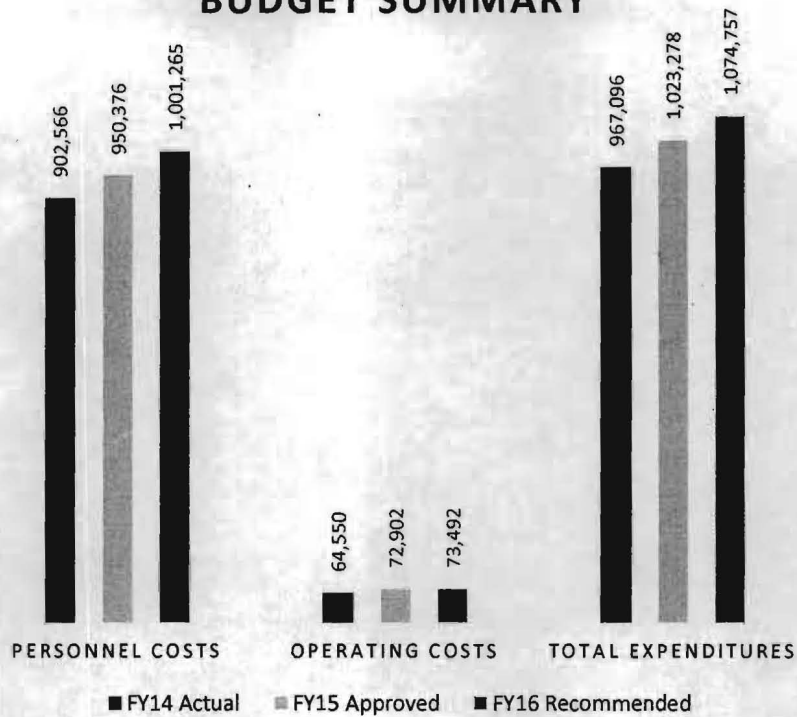
### **Council Staff Recommendation:**

- **Approve as recommended by the County Executive.**

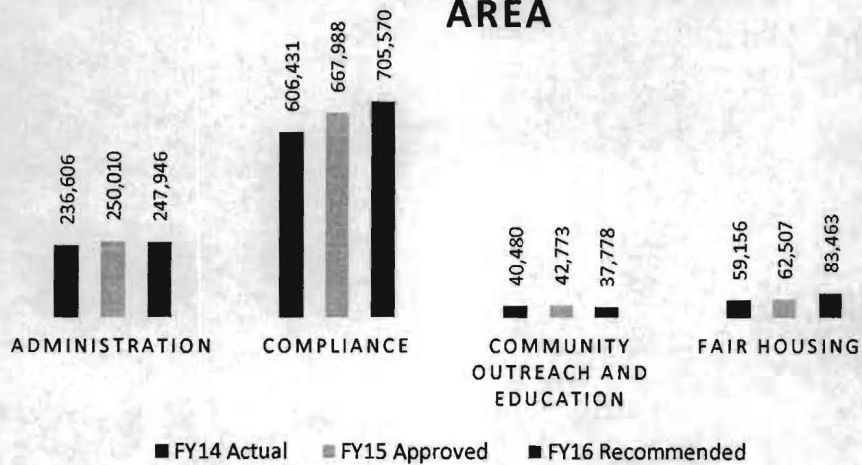
## **Overview**

For FY16, the County Executive recommends a total of \$1,074,757, an increase of \$51,479 or 5.0 percent from the FY15 approved budget of \$1,023,278. The budget has no program increases; all increases are due to adjustments that apply to multiple departments, such as negotiated compensation changes. The charts below demonstrate how little this budget has changed over the years.

## BUDGET SUMMARY



## BUDGET SUMMARY BY PROGRAM AREA



### Budget by Fund and Type

	<i><b>FY14 Actual</b></i>	<i><b>FY15 Approved</b></i>	<i><b>FY16 Recommended</b></i>	<i><b>% Change FY15 - FY16</b></i>
<i><b>Expenditures by fund</b></i>				
General Fund	\$967,096	\$1,023,278	\$1,074,757	5.0%
<i><b>Expenditures by type</b></i>				
Personnel Cost	\$902,566	\$950,376	\$1,001,265	5.4%
Operating Expenses	\$64,530	\$72,902	\$73,492	0.8%
<i><b>Total Expenditures</b></i>	\$967,096	\$1,023,278	\$1,074,757	5.0%
<i><b>Positions</b></i>				
Full-Time	8	8	8	
Part-Time				
<i><b>FTEs</b></i>	8	8.6	8.6	

### FY16 Expenditure Issues

<b>Increase: Biennial Hall of Fame Recognition</b>			<i><b>Changes</b></i>	
	<b>FY15 App.</b>	<b>FY16 Rec.</b>	<b>\$</b>	<b>%</b>
General Fund	0	\$2,500	\$2,500	100%

The Human Rights Hall of Fame induction ceremony is held every two years. On October 12, 2014, the County recognized the most recent seven inductees. The next ceremony will be held in 2016.

### Staffing Issues

The Office of Human Rights has managed to control its backlog of cases through the use of volunteer mediators. However, Council staff questions whether this system is sustainable long-term.

In addition to its traditional responsibilities to enforce anti-discrimination laws in housing, commercial real estate, employment, public accommodations and intimidation, in the past three years the Council has adopted legislation that makes the Office of Human Rights the primary enforcement body in additional areas.

- Bill 19-12, Human Rights and Civil Liberties – Displaced Service Workers – requires certain contractors to retain service workers for a transition period. That bill became effective on December 1, 2012 and provides for enforcement by the Office of Human Rights and the Human Rights Commission.

- Bill 27-13, Human Rights and Civil Liberties – County Minimum Wage Dollar Amount – requires certain employers in the County to pay a minimum wage to certain employees working in the County and provides for enforcement by the Office of Human Rights and the Human Rights Commission. That bill became effective October 1, 2014.
- Bill 36-14, Human Rights and Civil Liberties – Fair Criminal Records Screening Standards – among other things, prohibits certain employers from performing a criminal background check or otherwise inquiring into an applicant’s criminal record before the conclusion of a first interview and provides for enforcement by the Office of Human Rights and the Human Rights Commission. That bill became effective on January 1, 2015.
- Bill 51-14, Discriminatory Employment Practices - Retaliation for Wage Disclosure – Prohibited. This bill prohibits an employer from retaliating against an employee for certain disclosures of an employee or another employee. This law goes into effect on May 13, 2015 and will be enforced by the Office of Human Rights and the Human Rights Commission.

Further, Bill 60-14, Human Rights and Civil Liberties - Earned Sick and Safe Leave - is pending and also will place enforcement with the Office of Human Rights and the Human Rights Commission. The office has only eight positions, two of which are administrative support, to handle its current caseload, plus any cases that come from the new laws.

**Claims.** Currently, the Office of Human Rights has 14 pending claims based on the displaced worker law and one case based on the minimum wage law. The office has received numerous inquiries and requests for information on the criminal records screening law, but no claims have been filed.

Staff believes that the Office will need additional staff to handle the new adjudicatory responsibilities these laws give it. With the exception of the displaced worker law that has been in place for a little over two years, the other laws all have been in effect for just months or are not yet effective. Based on the experience with the displaced worker law, Council staff believes that personnel for the Office should be evaluated in one year. As County residents and workers become aware of these laws, they will file claims. With only four investigators and two managers, the Office may not be able to effectively or efficiently handle the workload.

## FY16 Revenue Issues

EEOC Reimbursement		Changes	
	FY15 App.	FY16 Rec.	
General Fund			\$
Grant Fund			%
Other Fund	\$39,000	\$55,000	41.0%

The EEOC reimbursement is set by the Equal Employment Opportunities Commission for cases it delegates to Montgomery County for some complaints that originate here. EEOC has lost significant staff in the state and are forwarding an increasing number of cases here. The anticipated increase in revenue corresponds to an increase in the number of EEOC cases this office handles.

### Performance

The Office of Human Rights investigates and resolves complaints of discrimination in housing, employment, public accommodations and real estate transactions. It uses both mediation and an adjudicatory process to resolve these issues.

The office currently is closing all its cases within 24 months and is working towards 15 months from complaint to closure within the current fiscal year. It has closed over 140 cases during this fiscal year.

### Accomplishments

The Office of Human Rights includes the Human Rights Commission and the Committee on Hate violence. Working with these two groups of volunteers, OHR:

- Held the second annual Friendship Picnic, September 14, 2014 at Wheaton Regional Park. The picnic aims to bring together residents of various ethnic, religious, social and racial backgrounds to promote community unity and non-violence;
- Organized an anti-bullying symposium;
- Celebrated the induction of seven County residents into the Montgomery County Human Rights Hall of Fame;
- Held a workshop on the minimum wage laws for employers;
- Held a workshop on common ownership and disability issues for housing providers;
- Convened a series of public forums on minorities and the criminal justice system;
- Conducted the Civil Rights Educational Freedom Tour for county and regional students and residents, a bus tour during spring break of locations in the South that are important in the birth of the civil rights movement; and
- Conducted the Human Rights Youth Diversity Camp for 5<sup>th</sup> graders throughout Montgomery County.

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# Human Rights

## MISSION STATEMENT

The mission of the Office of Human Rights is to enforce Federal, State, and County anti-discrimination laws in housing, commercial real estate, employment, public accommodation & intimidation and promote increased understanding and tolerance among diverse groups.

## BUDGET OVERVIEW

The total recommended FY16 Operating Budget for the Office of Human Rights is \$1,074,757, an increase of \$51,479 or 5.0 percent from the FY15 Approved Budget of \$1,023,278. Personnel Costs comprise 93.2 percent of the budget for eight full-time positions, and a total of 8.60 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 6.8 percent of the FY16 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***
- ❖ ***Vital Living for All of Our Residents***

## DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY15 estimates reflect funding based on the FY15 approved budget. The FY16 and FY17 figures are performance targets based on the FY16 recommended budget and funding for comparable service levels in FY17.

## ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***Successfully planned and conducted ten educational outreach activities and projects for the County.***
- ❖ ***The Office closed 140 cases to date in FY15. Cases were closed through mediation, conciliation, or through the complaint process.***
- ❖ ***Improved the overall performance with the Equal Employment Opportunities Commission (EEOC) contract by completing over 200% of case closures from last fiscal year.***
- ❖ ***Planned and coordinated, with members of the Human Rights Hall of Fame, the 8th Bi-Annual Human Rights Hall of Fame event inducting seven Montgomery County residents into the Human Rights Hall of Fame.***
- ❖ ***Planned and coordinated the 2nd Annual Friendship Picnic with the Committee on Hate Violence, advocating for community unity and non-violence. The event was attended by over 1,000 members of the community.***
- ❖ ***Held a one-stop fair employment workshop on the new County, state and federal Minimum Wage laws and held another one stop fair housing workshop on common ownership and disability issues for housing providers and Homeowner Associations.***

## PROGRAM CONTACTS

Contact James Stowe of the Office of Human Rights at 240.777.8490 or Phil Weeda of the Office of Management and Budget at 240.777.2780 for more information regarding this department's operating budget.

## PROGRAM DESCRIPTIONS

### Compliance

This program investigates and resolves formal complaints of discrimination in employment, housing commercial and residential real estate transactions, public accommodations and intimidations through a formal complaint process or mediation.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Percent of cases in backlog status (cases not closed within 24 months) <sup>1</sup>	5%	0%	5%	5%	5%
Percent of cases that have a Letter of Determination issued within 30 days of completed investigation by investigator	100%	100%	100%	100%	100%
Percent of cases that have completed their investigation within 24 months <sup>2</sup>	96%	100%	95%	95%	97%
Percent of referred cases that are mediated successfully	33%	65%	50%	50%	50%
Percent reduction (or increase) in the average closeout time of cases (formal complaints) over the prior year <sup>3</sup>	10%	5%	10%	10%	5%

<sup>1</sup> We currently have no cases that were not closed within 24 months. Estimates in FY 15 and beyond will be based on a new metric with the goal to close cases within 15 months.

<sup>2</sup> Estimate in FY 15 and beyond anticipates a metric change and a goal to complete investigation of cases within 15 months.

<sup>3</sup> Estimates in FY 15 anticipate a new metric with the goal of closing out cases within 15 months.

FY16 Recommended Changes	Expenditures	FTEs
<b>FY15 Approved</b>	<b>667,988</b>	<b>6.60</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	37,582	-0.60
<b>FY16 CE Recommended</b>	<b>705,570</b>	<b>6.00</b>

### Community Outreach and Education

This program supports and promotes the Human Rights Commission and Committee on Hate Violence on their outreach and education efforts. Participate or, in partnership with other local/state/federal offices, conduct various forums to promote increased understanding and tolerance among diverse groups.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Overall satisfaction of the Commissioners with the HRC's advocacy for human and civil rights issues (scale of 1-5)	4.4	4.5	4.5	4.6	4.6

FY16 Recommended Changes	Expenditures	FTEs
<b>FY15 Approved</b>	<b>42,773</b>	<b>0.50</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	-4,995	0.00
<b>FY16 CE Recommended</b>	<b>37,778</b>	<b>0.50</b>

### Monitor the County's Fair Housing Ordinance

This program monitors the County's Fair Housing Ordinance through the Interagency Fair Housing Work Group in order to coordinate the activity of County departments, offices, and agencies to prevent housing discrimination and to perform testing of housing providers.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Percent of housing providers in full compliance with Fair Housing Laws based on the Office of Human Rights-selected matched pair testing	55%	83%	100%	100%	100%

FY16 Recommended Changes	Expenditures	FTEs
<b>FY15 Approved</b>	<b>62,507</b>	<b>0.50</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	20,956	0.60
<b>FY16 CE Recommended</b>	<b>83,463</b>	<b>1.10</b>

### Administration

This program provides overall direction of the office, administration of the budget, personnel, procurement, automation, and support services. Also provided in this program is funding for human relations awards.

<b>FY16 Recommended Changes</b>	<b>Expenditures</b>	<b>FTEs</b>
<b>FY15 Approved</b>	<b>250,010</b>	<b>1.00</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	-2,064	0.00
<b>FY16 CE Recommended</b>	<b>247,946</b>	<b>1.00</b>

## BUDGET SUMMARY

	<b>Actual FY14</b>	<b>Budget FY15</b>	<b>Estimated FY15</b>	<b>Recommended FY16</b>	<b>% Chg Bud/Rec</b>
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	697,455	737,537	733,906	776,128	5.2%
Employee Benefits	205,111	212,839	210,804	225,137	5.8%
<b>County General Fund Personnel Costs</b>	<b>902,566</b>	<b>950,376</b>	<b>944,710</b>	<b>1,001,265</b>	<b>5.4%</b>
Operating Expenses	64,530	72,902	87,094	73,492	0.8%
Capital Outlay	0	0	0	0	—
<b>County General Fund Expenditures</b>	<b>967,096</b>	<b>1,023,278</b>	<b>1,031,804</b>	<b>1,074,757</b>	<b>5.0%</b>
<b>PERSONNEL</b>					
Full-Time	8	8	8	8	—
Part-Time	0	0	0	0	—
FTEs	8.00	8.60	8.60	8.60	—
<b>REVENUES</b>					
EEOC Reimbursement	0	39,000	39,000	55,000	41.0%
Miscellaneous Revenues	332	0	0	0	—
<b>County General Fund Revenues</b>	<b>332</b>	<b>39,000</b>	<b>39,000</b>	<b>55,000</b>	<b>41.0%</b>

## FY16 RECOMMENDED CHANGES

	<b>Expenditures</b>	<b>FTEs</b>
<b>COUNTY GENERAL FUND</b>		
<b>FY15 ORIGINAL APPROPRIATION</b>	<b>1,023,278</b>	<b>8.60</b>
<b>Other Adjustments (with no service impacts)</b>		
Increase Cost: FY16 Compensation Adjustment	30,029	0.00
Increase Cost: Annualization of FY15 Personnel Costs	15,315	0.00
Increase Cost: Retirement Adjustment	3,217	0.00
Increase Cost: Biennial Hall of Fame	2,500	0.00
Increase Cost: Group Insurance Adjustment	2,328	0.00
Decrease Cost: Printing and Mail	-794	0.00
Decrease Cost: Motor Pool Rate Adjustment	-1,116	0.00
<b>FY16 RECOMMENDED:</b>	<b>1,074,757</b>	<b>8.60</b>

## PROGRAM SUMMARY

<b>Program Name</b>	<b>FY15 Approved</b>		<b>FY16 Recommended</b>	
	<b>Expenditures</b>	<b>FTEs</b>	<b>Expenditures</b>	<b>FTEs</b>
Compliance	667,988	6.60	705,570	6.00
Community Outreach and Education	42,773	0.50	37,778	0.50
Monitor the County's Fair Housing Ordinance	62,507	0.50	83,463	1.10
Administration	250,010	1.00	247,946	1.00
<b>Total</b>	<b>1,023,278</b>	<b>8.60</b>	<b>1,074,757</b>	<b>8.60</b>



## FUTURE FISCAL IMPACTS

Title	CE REC.			(5000's)		
	FY16	FY17	FY18	FY19	FY20	FY21
This table is intended to present significant future fiscal impacts of the department's programs.						
<b>COUNTY GENERAL FUND</b>						
<b>Expenditures</b>						
<b>FY16 Recommended</b>	<b>1,075</b>	<b>1,075</b>	<b>1,075</b>	<b>1,075</b>	<b>1,075</b>	<b>1,075</b>
No inflation or compensation change is included in outyear projections.						
<b>Labor Contracts</b>	<b>0</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and associated benefits.						
<b>Subtotal Expenditures</b>	<b>1,075</b>	<b>1,079</b>	<b>1,079</b>	<b>1,079</b>	<b>1,079</b>	<b>1,079</b>