


GO Committee #6  
May 4, 2022  
**Worksession**

## MEMORANDUM

May 3, 2022

TO: Government Operations & Fiscal Policy [GO] Committee

FROM: Carolyn Chen, Legislative Analyst 

SUBJECT: **FY23 Recommended Operating Budget Worksession:  
Merit System Protection Board [MSPB]**

PURPOSE: Review and make recommendations for Council consideration – vote expected.

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### Expected Participants:

- Bruce Martin, Executive Director, MSPB
- Julie Knight, Fiscal & Policy Analyst, Office of Management and Budget [OMB]

### Current MSPB Members:

- Harriet E. Davidson, Chair
- Sonya E. Chiles, Vice Chair & Associate Member
- Barbara S. Fredericks, Associate Member

### SYNOPSIS: [FY23 Recommended Operating Budget: MSPB](#)

**About MSPB.** The Merit System Protection Board [MSPB] is established by the Charter of Montgomery County, Maryland<sup>1</sup> [to oversee the merit system](#) and protect employee and job applicant rights guaranteed under the merit system law<sup>2</sup>. MSPB is comprised of 1.5 FTEs (part-time Executive Director and Office Services Coordinator) who support a three-member board who review appeals from Merit System County employees and applicants on three types of appeals: [Grievances](#), [Disciplinary Action or Termination](#) and [Denial of Employment](#).

Once every five years, the MSPB is required to hire an independent, outside consultant to conduct an audit of the County's classification and compensation plan and procedures<sup>3</sup>. In [June 7, 2018, MSPB transmitted its recommendations](#) to the Council after an independent [final report was completed on February 6, 2018](#) by CPS HR Consulting.

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<sup>1</sup> Charter of Montgomery County, Maryland, [Article 4, Merit System and Conflicts of Interest, Section 403: Merit System Protection Board](#).

<sup>2</sup> Charter of Montgomery County, Maryland, [Section 404, Duties of the Merit System Protection Board](#); the Montgomery County Code, [Article II Merit System](#), Chapter 33; and the Montgomery County Personnel Regulations, [Sections 33-7](#) and [35-20](#), p.320.

<sup>3</sup> Code of Montgomery County Regulations, [33.07.01.09-3\(h\)\(2\)\(A\)](#).

**Summary analysis of FY23 changes.** As noted in [Council staff's April 26, 2021 packet](#) to the GO Committee, FY23 recommended operating budget includes funding to initiate the County's next merit system audit after five years since the 2018 final report and recommendations were released. MSPB estimates at least \$800,000 is needed to procure an independent entity to conduct the audit and requested the funds be apportioned over FY23 and FY24 [©4].

**Designed with racial equity and social justice lens.** MSPB, in consultation with the Office of Human Resources and Office of Racial Equity and Social Justice, has drafted a scope of services that includes two objectives:

- To ensure the accuracy, equity, justice, validity, and integrity in the administration of the classification and compensation program and execution of its procedures → *Does the current program assure equitable treatment of employees and meet the needs to attract and retain a quality workforce?*; and
- To determine the effectiveness of the current classification and compensation models and methodologies → *How does the County compare to public and private sector organizations in the regional market?*

**Council staff recommends approval of the Merit System Protection Board [MSPB] FY23 Operating Budget as submitted by the County Executive.**

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# Merit System Protection Board

## RECOMMENDED FY23 BUDGET

\$672,552

## FULL TIME EQUIVALENTS

1.50

BRUCE MARTIN, EXECUTIVE DIRECTOR

## MISSION STATEMENT

The mission of the Merit System Protection Board is to oversee the merit system and protect employee and job applicant rights guaranteed under the merit system law.

## BUDGET OVERVIEW

The total recommended FY23 Operating Budget for the Merit System Protection Board is \$672,552, an increase of \$404,631 or 151.03 percent from the FY22 Approved Budget of \$267,921. Personnel Costs comprise 38.37 percent of the budget for no full-time position(s) and two part-time position(s), and a total of 1.50 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 61.63 percent of the FY23 budget.

## COUNTY PRIORITY OUTCOMES

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

**Effective, Sustainable Government**

## PROGRAM CONTACTS

Contact Bruce Martin of the Merit System Protection Board at 240.777.6622 or Julie Knight of the Office of Management and Budget at 240.777.2760 for more information regarding this department's operating budget.

## PROGRAM DESCRIPTIONS

### Merit System Oversight

The Merit System Protection Board oversees the merit system and protects employee and job applicant rights guaranteed under the merit system; conducts or authorizes periodic audits of the classification system; comments on any proposed changes in the merit system law or regulations; reviews the need to amend laws or regulations, and adjudicates appeals from grievances, removals, demotions, and suspensions upon request of the employee. Personnel Management Oversight includes investigations, audits, or

special studies of all aspects of the merit system. The Board also publishes an annual report.

## BUDGET SUMMARY

	Actual FY21	Budget FY22	Estimate FY22	Recommended FY23	%Chg Bud/Rec
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	193,243	201,451	206,511	204,329	1.4 %
Employee Benefits	49,647	51,966	52,350	53,719	3.4 %
<b>County General Fund Personnel Costs</b>	<b>242,890</b>	<b>253,417</b>	<b>258,861</b>	<b>258,048</b>	<b>1.8 %</b>
Operating Expenses	12,109	14,504	11,759	414,504	2757.9 %
<b>County General Fund Expenditures</b>	<b>254,999</b>	<b>267,921</b>	<b>270,620</b>	<b>672,552</b>	<b>151.0 %</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	2	2	2	2	—
FTEs	1.50	1.50	1.50	1.50	—
<b>GRANT FUND - MCG</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	352	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Grant Fund - MCG Personnel Costs</b>	<b>352</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>Grant Fund - MCG Expenditures</b>	<b>352</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>REVENUES</b>					
Federal Grants	352	0	0	0	%
<b>Grant Fund - MCG Revenues</b>	<b>352</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>DEPARTMENT TOTALS</b>					
<b>Total Expenditures</b>	<b>255,351</b>	<b>267,921</b>	<b>270,620</b>	<b>672,552</b>	<b>151.0 %</b>
<b>Total Full-Time Positions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>Total Part-Time Positions</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>—</b>
<b>Total FTEs</b>	<b>1.50</b>	<b>1.50</b>	<b>1.50</b>	<b>1.50</b>	<b>—</b>
<b>Total Revenues</b>	<b>352</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>

**FY23 RECOMMENDED CHANGES**

	Expenditures	FTEs
<b>COUNTY GENERAL FUND</b>		
	<b>FY22 ORIGINAL APPROPRIATION</b>	<b>267,921 1.50</b>
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: Increase Operating Expenses - Classification and Compensation Study [Merit System Oversight]	400,000	0.00
Increase Cost: Annualization of FY22 Compensation Increases	4,282	0.00
Increase Cost: FY23 Compensation Adjustment	3,209	0.00
Decrease Cost: Annualization of FY22 Personnel Costs	(2,860)	0.00
	<b>FY23 RECOMMENDED</b>	<b>672,552 1.50</b>

**FUNDING PARAMETER ITEMS**

CE RECOMMENDED (\$000S)

Title	FY23	FY24	FY25	FY26	FY27	FY28
<b>COUNTY GENERAL FUND</b>						
<b>EXPENDITURES</b>						
<b>FY23 Recommended</b>	<b>673</b>	<b>673</b>	<b>673</b>	<b>673</b>	<b>673</b>	<b>673</b>
No inflation or compensation change is included in outyear projections.						
<b>Classification and Compensation Study</b>	<b>0</b>	<b>0</b>	<b>(400)</b>	<b>(400)</b>	<b>(400)</b>	<b>(400)</b>
At least once every five years, the Merit System Protection Board must have an independent consultant conduct an objective audit of the County's entire classification and compensation plan and procedures.						
<b>Labor Contracts</b>	<b>0</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
<b>Subtotal Expenditures</b>	<b>673</b>	<b>680</b>	<b>280</b>	<b>280</b>	<b>280</b>	<b>280</b>



MERIT SYSTEM PROTECTION BOARD

**MEMORANDUM**

October 28, 2021

TO: Jennifer Bryant, Director  
Office of Management and Budget

FROM: Bruce P. Martin, Executive Director  
Merit System Protection Board

SUBJECT: Merit System Protection Board FY 2023 Budget Request

Today the Merit System Protection Board (MSPB) electronically submitted its FY 2023 budget request. Our OMB analyst Philip Weeda suggested that we also provide this memorandum by email.

The Code of Montgomery County Regulations, §33.07.01.09-3(h)(2)(A), mandates that “[a]t least once every 5 years, the MSPB must have a consultant who is a specialist in the field and independent of the County government conduct an objective audit of the entire classification and compensation plan and procedures.” It has been five years since the last such audit. In addition to compliance with the dictates in County law, an independent audit is a critical way to ensure that the County’s classification and compensation system aligns with the principles of racial equity and social justice and is legally defensible. The audit will enable the County Executive and County Council to make informed decisions about adjustments to employee compensation and revisions to position classifications.

As indicated in the MSPB’s FFI, to reduce the impact on the FY23 budget we propose to apportion the estimated \$800,000 total cost over two fiscal years. The MSPB request for \$400,000 above the FY23 funding parameter would be to conduct the first year of the required classification and compensation audit.

I would like to thank Mr. Weeda for assisting me in the preparation of our budget. The time and effort he devoted to our small agency was undoubtedly disproportionate to the size of our budget, yet he was always patient, good natured, and professional.

cc: Board Members  
Carlos Camacho  
Sandra Marin  
Philip Weeda