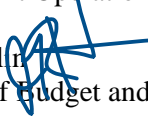




May 1, 2023

MEMORANDUM

TO: Edward P. Burroughs, III, Chair
Government Operations and Fiscal Policy (GOFP) Committee

THRU: Josh Hamlin 
Director of Budget and Policy Analysis

FROM: Malcolm Moody - *mm*
Budget and Policy Analyst

RE: Office of Human Resources Management (OHRM)
Fiscal Year 2024 Budget Review

Budget Overview

- The FY 2024 Proposed Budget for the Office of Human Resources Management (OHRM) is \$11,807,200. This is an increase of \$1,881,300, or 19.0%, over the FY 2023 Approved Budget. The increase is primarily due to an increase in funding for public safety promotional examinations, net operating expense adjustments, additional funding to support two (2) new positions (Systems Analyst 3G and Human Resources Analyst 2G), and increased OIT charges based on anticipated countywide costs for technology.
- The Office's expenditures are funded entirely by the General Fund, other than the Recoveries.

Budget Comparison - General Fund

Approved Fiscal Year 2023 to Proposed Fiscal Year 2024

Category	FY 2022 Actual	FY 2023 Approved	FY 2023 Estimated	% Change - Est vs App	FY 2024 Proposed	\$ Change	% Change
Compensation	\$ 5,766,145	\$ 7,256,100	\$ 6,598,800	-9.1%	\$ 7,498,800	\$ 242,700	3.3%
Fringe Benefits	1,655,663	2,436,800	2,024,200	-16.9%	2,587,600	150,800	6.2%
Operating Expenses	5,050,023	4,976,400	5,090,200	2.3%	7,338,100	2,361,700	47.5%
Sub-Total	\$ 12,471,831	\$ 14,669,300	\$ 13,713,200	-6.5%	\$ 17,424,500	\$ 2,755,200	18.8%
Recoveries	(4,196,092)	(4,743,400)	(4,362,300)	-8.0%	(5,617,300)	(873,900)	18.4%
Total	\$ 8,275,739	\$ 9,925,900	\$ 9,350,900	-5.8%	\$ 11,807,200	\$ 1,881,300	19.0%

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Authorized Staffing Count - General Fund

	FY 2023 Approved	FY 2024 Proposed	Change Amount	Percentage Change
Full-Time	70	72	2	2.9%
Total	70	72	2	2.9%

Staffing Changes and Compensation

- FY 2024 General Fund compensation is proposed at \$7,498,800 an increase of \$242,700, or 3.3%, above the FY 2023 approved amount. The increase in compensation is primarily due to the annualization of prior year salary adjustments and planned FY 2024 salary adjustments, netted with the addition of a Systems Analyst 3G and a Human Resources Analyst 2G (Compensation Analyst).
- The FY 2024 Proposed Budget includes authorization for 72 full-time General Fund positions, which is an increase of two (2) positions from the FY 2023 approved level.
- As of March 13, 2023, the Office reported eleven (11) vacant full-time positions. The Office reports that it is actively recruiting for six (6) of its vacant positions, interviewing for three (3) vacant positions, readvertising for one (1) vacant position, and have one (1) new hire starting in March and these positions are funded in the FY 2023 budget.
- During FY 2023, the Office reports 19 positions are currently assigned to the Office from various other agencies, eighteen (18) of the individuals are expected to continue their assignment in FY 2024 and one (1) individual is not expected to continue their assignment in FY 2024. The total compensation for these positions is approximately \$1.6 million. These employees assist in the management and processing of background investigation case files. A summary of these employees is as follows:

Agency	# of Employees Assigned to OHRM
Police Department	9
Department of Corrections	2
Office of the Sheriff	1
Fire Department	3
Office of Homeland Security	2
Office of Human Resources Management	2

- The Office reported that its current rate of attrition is 31.0%. The Office cites the key factors contributing to the current attrition level is the COVID-19 pandemic shifting views on work, resignations, and/or burnout.
- The Human Resources Analyst positions (Grades 21 and 24) are the most impacted by attrition.

Fringe Benefits

- FY 2024 Fringe Benefits are proposed at \$2,587,600, an increase of \$150,800, or 6.2%, above the FY 2023 approved level, to reflect compensation adjustments and projected fringe costs.
- A five-year trend analysis of fringe benefit expenditures is included below.

Fringe Benefits Historical Trend					
	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimated	FY 2024 Proposed
Fringe Benefit Expenditures	\$ 1,747,914	\$ 1,739,435	\$ 1,655,663	\$ 2,024,200	\$ 2,587,600
As a % of Compensation	30.9%	27.9%	28.7%	30.7%	34.5%

Operating Expenses

- FY 2024 operating expenses are proposed at \$7,338,100 and are comprised of the following major items:
 - General and Administrative Contracts \$6,195,400
 - Office Automation \$1,020,800
 - General Office Supplies \$69,600
 - Training \$24,800
 - Telephone \$14,000
- Overall, operating expenses are increasing by \$2,361,700, or 47.5%, above the FY 2023 Approved Budget level. The accompanying table compares the FY 2024 Proposed Budget operating expenditures with the FY 2023 Approved Budget operating expenditures. In three (3) of the categories, the FY 2024 Proposed Budget increases planned spending compared to the FY 2023 Approved Budget. In three (3) categories, the FY 2024 Proposed Budget decreases planned spending. The FY 2024 Proposed Budget remains unchanged for seven (7) categories compared to the FY 2023 budget.

Operating Objects	FY 2023 Budget	FY 2024 Proposed	FY 2023 - FY 2024	
			\$ Change	% Change
Telephone	16,000	14,000	(2,000)	-12.50%
Printing	3,000	2,600	(400)	-13.33%
Office Automation	875,400	1,020,800	145,400	16.61%
Training	24,800	24,800	-	0.00%
Membership Fees	6,500	6,500	-	0.00%
Mileage Reimbursement	1,900	4,900	3,000	157.89%
General & Administrative Contracts	\$3,978,800	\$6,195,400	\$2,216,600	55.71%
General Office Supplies	70,000	69,600	(400)	-0.57%
TOTAL	4,976,400	7,338,600	2,362,200	47.5%

- The most significant decrease is in the Telephone category, a decrease of \$2,000, or 12.5%, under FY 2023, due to historical actuals.

- The most significant increase in is General and Administrative Contracts (\$2,216,600 increase) due to the cost for contracts planned for FY 2024.

Recoveries

- The Office receives recoveries from other funds for employee salaries and administrative functions related to health benefit and pension plans offered to current employees and retirees.
- Projected recoveries for FY 2024 total \$5,617,300, an increase of \$1,255,000, or 28.8%, above the FY 2023 budgeted level, due to a change in the recoverable positions in Labor Relations and Benefits and Pensions division which includes salary and fringe adjustments.
- A breakdown of FY 2024 Proposed recoveries is as follows:
 - Life and Health \$3,839,400
 - Pension Funds \$1,777,900

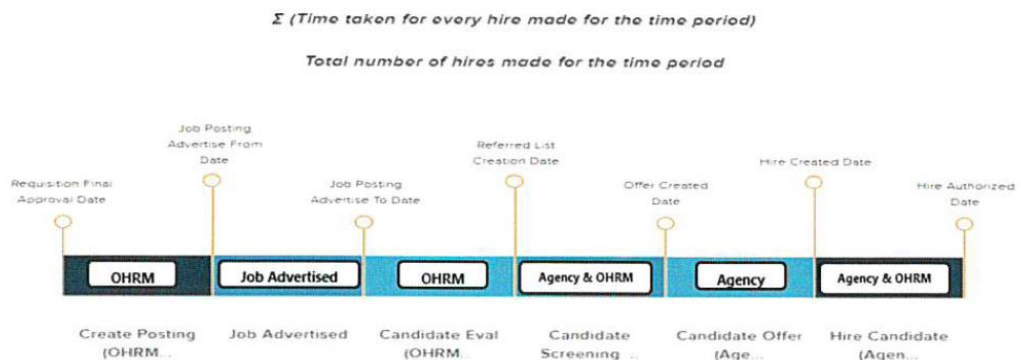
Highlights

Recruitment and Hiring

- The Office strives to provide County agencies with qualified applicants to fill vacancies in a timely manner. A primary goal is to reduce the number of days required to fill a vacant position. (See table below).

FY 2028 Target	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimated	FY 2024 Projected	Trend
87	136	112	107	98	↓

- The process for hiring is shown below:



Few things to note

1. The calculation excludes weekends but not US holidays
2. If a requisition does not have approvals, then the requisition is considered approved on the day the requisition is created
3. If a requisition is created or approved after the job was posted, the time spent on job posting is considered as zero

- The following table compares the number of employees hired by agency in FY 2022 and FY 2023:

Hires by Agency - FY 22 and FY 23 YTD				
Agency	FY 2022	FY 2023 YTD	FY 22 - FY 23 (YTD) Change	Percentage Change
Administrative Charging Committee	0	2	2	N/A
Board of Elections	7	2	-5	-71.4%
Board of License Commissioners	2	4	2	100.0%
Department of Corrections	18	13	-5	-27.8%
Department of Family Services	3	2	-1	-33.3%
Department of Health	19	16	-3	-15.8%
Department of Social Services	0	4	4	N/A
Department of the Environment	37	43	6	16.2%
Ethics and Accountability	0	1	1	N/A
Fire-EMS Department	52	65	13	25.0%
Housing and Community Development	13	7	-6	-46.2%
Office of Central Services	14	20	6	42.9%
Office of Community Relations	8	9	1	12.5%
Office of Finance	7	8	1	14.3%
Office of Homeland Security	34	23	-11	-32.4%
Office of Human Resources Management	18	23	5	27.8%
Office of Human Rights	0	2	2	N/A
Office of Information Technology	5	6	1	20.0%
Office of Law	7	6	-1	-14.3%
Office of Management & Budget	3	4	1	33.3%
Office of the County Executive	3	9	6	200.0%
Office of the Sheriff	13	6	-7	-53.8%
Office of the States Attorney	25	36	11	44.0%
Permitting Inspections Enforcement	30	30	0	0.0%
Police Department	65	80	15	23.1%
Prince Georges Circuit Court	23	33	10	43.5%
Prince Georges County Council	21	32	11	52.4%
Prince Georges Orphans Court	1	0	-1	-100.0%
Public Works & Transportation	22	20	-2	-9.1%
Soil Conservation District	0	1	1	N/A
Grand Total	450	507	56	12.4%

- The following table compares the number of separations by agency in FY 2022 and FY 2023:

Number of Separations and Retirements by Agency - FY 22 and FY 23 YTD						
Agency	FY 2022	FY 2023 YTD	FY 22 - FY 23 (YTD) Change	FY 2022	FY 2023 YTD	FY 22 - FY 23 (YTD) Change
	Retirements			Separations		
Administrative Charging Committee	0	0	0	0	0	0
Board of Elections	0	2	2	3	6	9
Board of License Commissioners	0	0	0	1	3	4
Department of Corrections	24	15	39	41	36	77
Department of Family Services	2	2	4	5	3	8
Department of Health	14	8	22	35	16	51
Department of Social Services	0	1	1	2	2	4
Department of the Environment	14	5	19	36	21	57
Ethics and Accountability	0	0	0	0	1	1
Fire-EMS Department	43	17	60	31	14	45
Housing and Community Development	6	3	9	4	5	9
Office of Central Services	6	6	12	13	12	25
Office of Community Relations	4	0	4	11	4	15
Office of Finance	1	3	4	3	2	5
Office of Homeland Security	1	2	3	24	36	60
Office of Human Resources Management	2	0	2	11	22	33
Office of Human Rights	0	0	0	0	1	1
Office of Information Technology	1	0	1	3	3	6
Office of Law	2	0	2	10	10	20
Office of Management & Budget	2	0	2	4	4	8
Office of the County Executive	0	1	1	5	5	10
Office of the Sheriff	17	19	36	23	12	35
Office of the States Attorney	5	1	6	34	24	58
Permitting Inspections Enforcement	9	2	11	30	16	46
Police Department	68	37	105	53	44	97
Prince Georges Circuit Court	5	4	9	40	33	73
Prince Georges County Council	3	7	10	20	18	38
Prince Georges Orphans Court	0	0	0	0	0	0
Public Works & Transportation	19	9	28	27	19	46
Soil Conservation District	0	0	0	0	0	0
Grand Total	248	144	392	469	372	841

- The following table lists the vacancy distributions between various Divisions of the Office:

Staffing	Administration	Talent Management	People Operations	Employee and Labor Relations	Benefits, Pensions and Retirement Services
FY 2023 Authorized Positions	9	24	12	7	18
FY 2023 Actual Filled Positions	9	20	11	7	14
FY 2023 Vacant Positions	0	4	1	0	4
FY 2023 Vacancy Rate	0%	17%	8%	0%	22%

- The Office's plan to improve the efficiency and quality of the recruitment and hiring process includes the following approaches:
 - Maximize HR Technology
 - Streamline hiring and pre-employment processes
 - Use new approaches to talent sourcing that leverage talent networks, social media, and other innovative sources
 - Launch a branding and marketing campaign that promotes Prince George's County as a "Best Place to Work."
 - Evaluate and assess pay equity
 - Implement technology upgrades for reduction of paperwork and manual processes related to time-to-fill and talent sourcing
 - Establish service level agreements with County Agencies
 - Continue to grow the Youth Employment Program
 - Establish external partnerships with colleges and universities
- The following tools are used by the Office during the recruitment process:
 - Service Level Agreement (SLA) – Effective October 31, 2022. This is a tool that allows the Office to align with their objective of maintaining open and regular communication with their agency client partners. The tool helps to improve partnerships and better manage expectations and workload through the establishment of clear and measurable guidelines.
 - Job Announcement Form (JAF) – Helps to reduce the length of time in the recruitment process by collecting all information necessary to post the job. The Agency HRL will work with the hiring manager to complete the JAF prior to entering the requisition in NEOGOV and uploads the HAF to the requisition. The OHRM Talent Acquisition Analyst then receives the requisition, which they use with the completed JAF to create the job announcement. This process eliminates the repetitive review of the draft announcement and reduce the time to post a position.
 - NEOGOV Applicant Tracking System – A tracking system for government Human Resources (HR) that assists the Office once candidates have applied to work in the County. Insight's auto-screening tools are used to identify the best candidates quickly. The Office then generates and manages a ranked eligible list of candidates and uses it to share with the agency hiring manager about who they would like to interview. NEOGOV also assists with automatically screening candidates based on minimum qualification requirements (using candidate answers to job-specific questions), which reduces the time required to screen potentially hundreds of applications. The applicant tracking system is also used to customize scoring rules and weights and rank candidates based on things like:
 - The Agency's screening protocols
 - Tests and assessments
 - Interview performance
 - The NEOGOV candidate self-service portal makes the recruiting process more efficient by streamlining applicant and HR communications. With this portal applicants can check the status of their application, monitor where they are in the hiring process, view emails in their job seeker inbox, and access a complete application history for all jobs they have applied to.

- The Office has launched a Premier Virtual platform for the Summer Youth Enrichment Program (SYEP) to enable the County to host virtual and hybrid career fairs and hiring events. The platform was used to register hiring agencies and job seekers for the Prince George’s County Job Fair held on January 31, 2023. Over 30 County agencies and 900 job seekers registered using the platform. The platform is also being used to register County and non-County hiring agencies participating in the SYEP Recruitment Event and Young Adult Job Fair that was scheduled to occur in Langley Park on March 11, 2023, and in Oxon Hill on March 18, 2023. The Office plans to continue using the platform to host events career fairs and hiring events.
- According to the Office in the last three quarters time to fill has reduced by 40%. The main factors in this reduction have been the implementation of service level agreements between OHRM and partnering agencies, enhanced education and training, updates to guidelines and websites, and regular agency meetings.
- During FY 2023 the Office implemented an enhanced “Time to Fill” process to improve the hiring timelines and facilitate effective collaboration between OHRM and hiring agencies.

Healthy Employees

- The Office has been using Workforce Health the last three and a half years through their Level Up program with the goal of creating a healthier workforce. In FY 2023, the Office plans to continue to focus on innovative approaches to engage employees and their dependents in wellness activities and anticipates 4,000 participants in FY 2023.

Healthy Relationships

- The Office will focus, over the next year, on introducing trainings and opportunities that will focus on teams, leadership, and collaboration.

Healthy Work Environment

- The Office will focus, over the next year, on efforts to internally shift the work culture within the County and improve resilience to continue delivering to customers.

Employee Retention Strategies

Pillars	Healthy Employees	Healthy Relationships	Healthy Work Environment
Key Focus Areas	<ul style="list-style-type: none"> • Physical Well-Being • Financial Well-Being • Work-Life Balance • Stress Level • Burnout Level • Exertion Level 	<ul style="list-style-type: none"> • Trust in Teams • Employee Manager Relationship Quality • Trust in Leadership • Psychological Safety • Collaboration 	<ul style="list-style-type: none"> • Innovation • Responsiveness • Development Opportunity • Change Receptivity • Inclusion

Summer Youth Enrichment Program

- During the summer of 2023, the Office's Youth@Work/Summer Youth Enrichment Program (SYEP) plans to provide job placement opportunities for a total of 3,857 youth (of which 1,357 are expected to be County-funded positions). The total proposed cost for the 2023 program is \$1.6 million.
- During FY 2023 the Office initiated a pilot for the Youth@Work program to facilitate the hiring of County youth into permanent positions after summer work experience.
- The Office will continue to partner with other public and private organizations to provide employment opportunities to the County's youth, in addition to the summer job opportunities provided within County Government. In the summer of 2022, the Office reported 252 Latino/Hispanic applicants, 27 Asian applicants, 3,113 Black or African American applicants, and 115 White applicants.

Employee Satisfaction/Training

- The Office launched the Performance Management Pilot for General Schedule Employees on July 22, 2022, under Administrative Procedure AP217-A. The project phases since the launch have been as follows:
 - NEOGOV Perform Design
 - County Leadership Cluster Meetings Engagement
 - Agency Performance Manager (APM) Designation & Training
 - Employee Communication & Training
 - NEOGOV Perform System Communication & Implementation
 - Monitoring and Evaluation
- The Pilot is currently in the 3rd phase and 8th month (March) of progress for FY 2023. The Office has gained the following insights since the inception of the Pilot:
 - 76% of participants have completed and finalized performance plans in NEOGOV.
 - Task completion by end of March 2023 is projected to be in the 80th percentile range of success.
 - On-going training needed to help stakeholders enter information into NEOGOV.
 - Training Agency Performance Managers (APM) have help strengthen the communication and support to agency managers and employees.
 - Changes from paper documentation to electronic documentation have resulted in mixed results from participants.
 - APMs reported a 76% readiness for feeling prepared to assist agency employees with the change into NEOGOV and new policy adherences.
 - APMs have reported positive acceptance to methods allowing them to communicate more often with employees regarding their status of goals.
 - Managers have recognized the value of using the NEOGOV platform as a one-stop shop

- Training and resources have been developed and offered to assist users with better utilizing NEOGOV.

Labor Relations/Cost Management

- General Fund fringe benefit costs continue to increase for the public safety agencies. (See the chart below for a five-year comparison of fringe rates for the public safety agencies.) Given the historical increase in fringe benefit costs over the years, one of the Office's top priorities in FY 2023 is to continue reviewing and administering the retiree pension and benefit programs, with strategic focus on identifying reforms that improve the sustainability of County funds.

Public Safety Agency	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimated	FY 2024 Proposed
Police Department	60.4%	61.5%	58.0%	65.7%	67.9%
Fire/EMS Department	71.5%	71.3%	69.4%	72.2%	72.2%
Office of the Sheriff	65.9%	69.0%	71.1%	69.5%	78.0%
Department of Corrections	50.7%	48.7%	47.2%	56.6%	58.2%

- The County experienced an increase in disability leave usage and costs during the last calendar year, as shown in the chart below.

	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023 (as of 2/28/2023)	Change Amount (CY21 to CY22)	% Change (CY21 to CY22)
Number of Employees	371	401	337	386	388	91	2	1%
Hours Used	30,623	51,682	40,068	47,481	56,359	7,556	8,878	19%
Amount Paid	\$ 1,080,815	\$ 1,921,105	\$ 1,497,468	\$ 1,765,096	\$ 2,223,475	\$ 316,565	\$ 458,379	26%

- The Office is currently conducting classification and compensation studies. Any insights and the positions that were audited will be released at a future date. Below is a list of classification studies in FY 2021, FY 2022, FY 2023, and planned for FY 2024:

Fiscal Year	Classification	Action Taken	Status
FY 2021	Refuse Collection Inspectors	Classification Specification Update	Complete
FY 2021	Equipment Operators	Classification Specification Update	Complete
FY 2022	Position Reviews	43 Position Audits (Individual Position Reviews) for various agencies	Complete
FY 2022	Psychologist Series	Updating the class of work to new Maryland State standards	Final Stages
FY 2022	Counselor Series	Updating the class of work to new Maryland State standards	Final Stages
FY 2023	Police Chief	New Class Creation/Update	Complete
FY 2023	Assistant Chief of Police	New Class Creation/Update	Complete
FY 2023	Fire Chief	New Class Creation/Update	Complete
FY 2023	Deputy Chief, Fire	New Class Creation/Update	Complete
FY 2023	County Attorney	Classification Specification Update	In-Progress
FY 2023	Engineer 1-5	Classification Specification Update	In-Progress
FY 2023	Assistant State's Attorney (1-8)	New Classification Request	In-Progress
FY 2024	Public Safety Emergency Call Taker I - III		Planned for FY 24
FY 2024	Public Safety Communications Operations Supervisor		Planned for FY 24
FY 2024	Public Safety Dispatcher I - III		Planned for FY 24
FY 2024	Administrative Specialist (Level 1 - 4)		Planned for FY 24
FY 2024	Administrative Assistant (Level 1 - 4)		Planned for FY 24
FY 2024	Administrative Aide (Level 1 - 4)		Planned for FY 24
FY 2024	General Clerk (Level 1 - 4)		Planned for FY 24
FY 2024	Investigator		Planned for FY 24

- The Director of OHRM provides oversight of the collective bargaining agreement (CBA) process, the Deputy Director conducts daily oversight of the administration of labor relations. A Labor Relations Specialist, Chief Negotiator (vendor), Financial Analysis (vendor), trainer and subject matter expert (vendor) provide support the CBA process. The process is also supported by various OHRM employees who support negotiation activities and provide subject matter expertise on defined collective bargaining topics. Temporary staff are added at later dates in the process to support administrative aspects of negotiations such as scheduling rounds, keeping notes, and tracking proposals.
- The Office has begun preparing for the FY 2024 – FY 2025 collective bargaining cycle. This includes meetings with the County's Chief Negotiator, meetings with the identified vendor for modeling contract costs, identification of bargaining units' management teams, development of negotiations training and training dates, and development of standardized proposals form to fully strategize proposal points.
- The Office continues to support County agencies by negotiating competitive contracts for unionized employees through collective bargaining. The Office reports that contract negotiations for 10 expired agreements are almost complete with all contracts having been ratified, except two that are in review with the County Council. The Office plans to negotiate the next round of contracts earlier to avoid retroactive contract negotiations.

Highlights:

- The Office reported the following key accomplishments for FY 2023:
 - Conducted negotiations for new benefits and services for CY 2023, including reduced co-pays for mental health visits and five classes of generic prescriptions.
 - Launched the process allowing electronic submission and retrieval of personnel file documents. Digitized over three million documents.
 - Reconstituted the Employee and Labor Relations (ELR) unit to provide a dedicated team to support employees and managers during their County employment. The support offered by the unit extends to labor negotiations, guidance, mediations, leave administration, and policy administration that includes update and revision of Administrative Procedure 200s.