



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

6611 Kenilworth Avenue • Riverdale, Maryland 20737

October 19, 2017

**MEMORANDUM**

**TO:** Montgomery County Planning Board  
**FROM:** John Kroll, Corporate Budget Manager  
**DATE:** October 12, 2017  
**SUBJECT:** FY 2019 CAS Budget Requests

In the interest of distributing these requests to you in as timely a manner as possible, I will be forwarding the CAS budget requests as they are completed.

Please find attached FY19 preliminary budget requests from the Department of Human Resources and Management (DHRM), CAS Support Services, the Merit System Board, the Office of the Inspector General, and the Finance Department.

The request from Legal will be distributed as it is completed.

Each attached memo details the base budget and additional requests for each department.

The staff recommendation is for Planning Board approval to prepare the FY19 operating budget at the base budget plus proposed changes level.

Attachments:

DHRM	pages 1-6
Merit System Board	pages 7-8
Inspector General	pages 9-10
Finance	pages 11-13
CIO	pages 14-23



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

6611 Kenilworth Avenue • Riverdale, Maryland 20737

PCB 17-12

October 10, 2017

To: Montgomery County Planning Board  
Prince George's County Planning Board

From: Patricia C. Barney, Executive Director

Subject: FY19 Proposed Budget – Administration Fund  
- Department of Human Resources and Management  
- Merit System Board

**Requested Action**

Provide direction to prepare the FY19 Proposed Budget for the Administration Fund covering the Department of Human Resources and Management (DHRM), and the Merit System Board (MSB) at the base budget, plus requested positions to address critical needs due to the extensive work load of affected divisions, and needs expressed by operating departments.

Please note, the FY19 salary marker is budgeted in non-departmental and not reflected in the DHRM or the Merit System Board budget. As the Corporate Budget Office is still working on the salary and benefit projections, the figures are preliminary.

The Internal Service Funds' proposed FY19 budgets for Risk Management, Group Insurance, and the Executive Office Building (EOB) will be presented in November. The CAS Support Services budget, which is in the Administration Fund, will be presented with the Executive Office Building Budget. The CAS Support Services budget includes funding of the occupancy costs for the CAS operations housed in the EOB.

**Budget Preparation and Background**

**I. Department of Human Resources and Management (DHRM) Budget**

Under the leadership of the Executive Director, DHRM includes four divisions:

- Office of the Executive Director
- Corporate Budget
- Corporate Policy and Management Operations
- Corporate Human Resources

These areas collectively provide corporate governance and administer agency-wide initiatives to ensure fair and equitable practices/programs, competitive and cost-effective employment compensation and benefits, prudent fiscal planning, and sound workplace and liability protections.

### **Discussion of DHRM Proposed Budget for FY19**

The Proposed Base Budget incorporates direction from the Corporate Budget Office, including compensation projections and the updated county budget allocations for FY19 of 43.1% Montgomery and 56.9% Prince George's. This represents a slight shift from the FY18 allocation of 42.6% Montgomery and 57.4% Prince George's.

The FY19 total budget, including requests to meet the identified critical work program demands, is \$5,392,614 and is allocated as follows:

- Montgomery: \$2,396,251 (adjusted from \$2,252,021 in FY18).
- Prince George's: \$2,996,363 (adjusted from \$2,829,725 in FY18).

#### **Explanation of Base Budget Adjustments and Major Known Operating Commitments for DHRM**

The preliminary base budget reflects a 2.5% increase (\$125,259) which is apportioned \$64,233 Montgomery and \$61,026 for Prince George's based on the FY19 allocations and the application of chargebacks. The total combined base budget includes the following adjustments from FY18 levels:

- Salaries: Increased 3.04% (or \$109,719).
- Benefits: Increased 4.53% (or \$56,160).
- Other Operating Charges and Supplies: Decreased 7.4% (or -\$57,704).
- Chargebacks are adjusted for wage and benefit allocation.

The FY19 total budget proposal also includes a request to fund critical needs in the amount of \$185,609 (\$79,997 Montgomery and \$105,612 Prince George's), which represents a 3.6% adjustment to base budget. These critical needs help us to meet the growing and extensive work program assigned to DHRM. These essential needs are explained on the next page.

### **FY19 Work Program Priorities**

- Implement Version 10 upgrade for ERP to effectively enable timely and accurate processing of personnel actions related to employee compensation, recruitment, benefits, and self-service modules. In addition, the upgrade will deliver better on-line information to operating departments for management and decision-making purposes.
- Manage the intake, tracking and response of Public Information Act program. The Executive Director is the designated Public Information Representative for the agency. With changes in State law, the requirements for tracking, monitoring and compliance have grown extensively.
- Continue analysis and critical updates of agency standards/policies, encompassing nearly 200 areas covering organizational functions, employment, procurement, financial systems, and risk/liability and safety regulations. Many operational standards are more than 20-30 years old due to lack of staff resources. The current team has been diligent in its review; however, significant and ongoing work is needed to ensure policies remain current in the future. The need to maintain these policies is critical to ensure regulatory compliance, fair practices, and accountability. This is a high priority supported by operating departments, internal audit, and the findings of the external accreditation process of the Commission for Accreditation of Park and Recreation Agencies (CAPRA).
- Work with State on public records compliance for agency wide archives program. Move records to digital platform for corporate records/archives program to ensure continued compliance with changes in public records laws and revised State of Maryland protocols.

- Continue implementing agency-wide employee development program to address critical succession planning, mentoring, and other critical needs identified by operating departments.
- Develop a central platform for agency-wide training with subject matter experts for core areas such as: legal issues, financial systems, employment, organizational policy/regulatory compliance, and workplace safety, delivered by CAS, that provides consistent access and content to employees across the agency.
- Continue implementing management-supported recommendations from Classification and Compensation study, including job class series reviews prioritized by operating departments and allocation of staff to the new classification specifications.
- Provide dedicated and regular briefings on adopted organizational standards/procedures as requested by operating departments.

**Proposed Critical Needs for the FY19 DHRM Budget**

1. **Add one Merit Management Analyst (Grade 26/I) for FY19: (\$54,308 for salary and benefits. 6-month delay)**

The work program assigned to the Policy and Management Operations Division has grown extensively over the past 5 years. The Division administers Commission-wide programs through three functional units of Risk Management/Workplace Safety, Policy/Corporate Records, and Management Services. The Management Services function is critically understaffed, requiring the lead of the Unit and the Division Chief to regularly work extended hours and weekends to maintain the work program. The Management Services Unit is presently staffed by one technical lead, who is responsible for administering 5 budgets, handling all departmental procurement, managing the EOB facility and offsite CAS offices, conducting specialized feasibility studies, and administrating a number of Commission wide programs such as the Literacy program and monitoring/tracking the Public Information Act inquiries. The Executive Director is the designated Public Information Representative for the agency, and with changes in State law, the requirements for tracking, monitoring and compliance have grown extensively and are managed by this unit. This is a critical need for which we are requesting a skilled analyst. Hiring will be deferred for 6 months.

2. **Add one Merit HRIS Specialist (Grade 22/H) for FY19: (\$49,119 for salary and benefits. 6-month delay)**

The HRIS unit is responsible for ensuring that every personnel action for Merit and Contract employees is reviewed and validated in a timely manner. The team is also responsible for operating and ensuring the data integrity of the HRIS system, implementing and administrating all support to operating departments which includes day to day guidance on various employment actions that apply to different employee groups (represented, non-represented Merit, contract and appointed positions). The team is currently staffed by a manager, one specialist, and administrative staff. Administrative staff is primarily responsible for input of data and review of basic information. A critical need exists to review and validate the more complicated personnel transactions and deliver technical and complex analysis/reports needed by operating departments, collective bargaining, and agency leadership. The position would also be responsible for leading in-person, and continual training efforts on HRIS which is desperately needed by departments and cannot be delivered due to

staff shortages. This effort will reduce the number of employment action errors that are encountered in data submitted by operating departments and result in retroactive pay adjustments. This position will also help address the deficiencies noted in a recent internal audit.

3. **Add one Administrative Specialist position (Grade 18/G) for FY19: (\$41,091 for salary and benefits. 6-month delay)**

The CPMO division requires an Administrative Assistant to assist with division projects assigned by the Division Chief who oversees Risk Management and Safety, Corporate Policy and Records Management, DHRM Budget and Executive Office Building. The new hire will assist the Division Chief in handling day to day administrative items including project schedules, calendars and leave requests, developing and maintaining an efficient filing system, document tracking, and preparation of material for meetings. The position will also assist with research on special projects for the division, prepare correspondence, and assist division units with administrative support. The CPMO division does not have its own dedicated administrative person, resulting in time being taken away from the team. Work program is very intensive and staff regularly works extended hours to manage programs. Administrative support is needed for project management across 5 units, and to shift some of the administrative tasks being performed by the Division Chief.

4. **Add one Merit HRIS Specialist (Grade G) for FY19: (\$41,091 for salary and benefits. 6-month delay)**  
The HRIS unit needs an HRIS technical specialist who can document and validate critical system processes and instruction.

Within the former HRIS system, more than 200 departmental representatives assisted with entering and validating electronic personnel actions. The validation process must now be accomplished by three administrative staff in HRIS team to ensure integrity, accuracy and consistency. Internal Audit has identified a need to better track the accuracy and timeliness of data validation. The team requires this additional position to support the organization's needs.

HRIS Actions by Year	2015	2016	2017 (Annualized)
New Hires	964	1,189	1,775
All Other Employee Actions	14,465	14,942	15,665
<b>Total Transactions</b>	<b>15,429</b>	<b>16,131</b>	<b>17,440</b>
<b>Transactional Increase Year to Year</b>		<b>4.5%</b>	<b>7.5%</b>

**DEPARTMENT OF HUMAN RESOURCES AND MANAGEMENT  
PROPOSED FY19 OPERATING BUDGET REQUEST**

	MC Admin Fund	PGC Admin Fund	Department Total	% Change
<b>FY18 Adopted Budget</b>	<b>\$ 2,252,021</b>	<b>\$ 2,829,725</b>	<b>\$ 5,081,746</b>	
 <b>FY18 BASE BUDGET INCREASES (with Major Known Commitments)</b>				
Salaries	67,967	41,752	109,719	
Benefits	24,308	31,852	56,160	
Other Operating Charges and Supplies	(29,662)	(28,042)	(57,704)	
Chargebacks	1,620	15,464	17,084	
<b>Subtotal Increase - Base Budget Request</b>	<b>\$ 64,233</b>	<b>\$ 61,026</b>	<b>\$ 125,259</b>	<b>2.5%</b>
 <b><u>FY19 Proposed Critical Needs</u></b>				
1. Add Mgmt. Analyst III to address critical work load: (I) \$40,334 in salary & \$13,974 in benefits. (6 Month Delay)	23,407	30,901	54,308	
2. Add Sr. HR Specialist to support HRIS: (H) \$35,569 in salary & \$13,550 in benefits. (6 Month Delay)	21,170	27,949	49,119	
<b>Adjusted to include needs 1 and 2</b>	<b>2,360,831</b>	<b>2,949,601</b>	<b>5,310,432</b>	<b>4.5%</b>
3. Add Admin. Specialist to support CPMO Div: (G) \$31,376 in salary & \$9,714 in benefits. (6 Month Delay)	17,710	23,381	41,091	
<b>Adjusted to include need 3.</b>	<b>2,378,541</b>	<b>2,972,982</b>	<b>5,351,523</b>	<b>5.3%</b>
4. Add HR Specialist to support HRIS: (G) \$31,376 in salary & \$9,714 in benefits. (6 Month Delay)	17,710	23,381	41,091	
<b>Adjusted to include need 4.</b>	<b>2,396,251</b>	<b>2,996,363</b>	<b>5,392,614</b>	<b>6.1%</b>
 <b>Total of New Initiatives</b>	 <b>79,997</b>	 <b>105,612</b>	 <b>185,609</b>	
 <b>Total Increase to Base Budget</b>	 <b>\$ 144,230</b>	 <b>\$ 166,638</b>	 <b>\$ 310,868</b>	
 <b>FY19 Total Proposed Budget</b>	 <b>\$ 2,396,251</b>	 <b>\$ 2,996,363</b>	 <b>\$ 5,392,614</b>	 <b>6.1%</b>

**Authorized Positions and Funded Workyears for DHRM**

The following table presents the FY18 authorized Merit position count with the FY19 proposed positions and workyears to address critical needs. Salary lapse is reflected in the workyear counts.

	<b>Authorized Positions</b>	<b>Funded WYs</b>	<b>MC WYs</b>	<b>PGC WYs</b>
<b>FY18 Term Contract Positions</b>	2	2	.75	1.25
<b>FY18 Merit Position/WY Total</b>	39	38.5	16.01	22.49
<b>Total FY18 Position Count/Workyears Before Lapse</b>	<b>41</b>	<b>40.5</b>	<b>16.76</b>	<b>23.74</b>
<b>Projected Lapse</b>		<b>(1)</b>	<b>(0.5)</b>	<b>(0.5)</b>
<b>Total FY18 Adjusted Position Count/Workyears</b>	<b>41</b>	<b>39.5</b>	<b>16.26</b>	<b>23.24</b>
<b>FY19 Adjusted Position Count/Workyears based on FY19 Labor Cost Analysis Less Salary Lapse</b>	41	39.50	16.87	22.63
<b>FY19 Critical Needs:</b>				
New HRIS Specialist (Grade H)	1	1	.4	.6
New Management Analyst (Grade I)	1	1	.4	.6
New Admin Specialist (G) for CPMO Div.	1	1	.4	.6
New HRIS Specialist (G)	1	1	.4	.6
<b>Total FY19 Position Count/Workyears</b>	<b>45</b>	<b>43.5</b>	<b>18.47</b>	<b>25.03</b>



## II. **FY19 Merit System Board Administration Budget**

The Merit System Board (MSB) is authorized by the Commission's enabling legislation (Division II of the Land Use Article of the Code of Maryland, Title 16, Subtitle 1, "Merit System", Sections 16-101—108). It is an impartial Board composed of three members: the Chair, appointed to a four-year term; the Vice Chair, appointed to a three-year term; and a Board Member, appointed to a two-year term. They are responsible for making recommendations and decisions regarding the Commission's Merit System. Board members are experienced in personnel and employment issues and committed to fair and impartial investigations and decisions on the application of Commission policy to non-represented Merit System employees.

The duties of the Merit System Board are to:

- Review, hear, and make decisions on appeals of adverse actions (e.g., termination, demotion, loss of pay, etc.).
- Review, hear, and make decisions on appeals of concerns that have not been resolved through the M-NCPPC administrative grievance process.
- Consider input from employees and management on issues pertaining to the Merit System.
- With support of the agency's Corporate Policy Office, and with input from employees and management, recommend changes to the Merit System Rules and Regulations Manual (which addresses employment rights and responsibilities, compensation and benefit policies). Recommendations are submitted to the Commission for adoption.
- With support of the Classification/Compensation Office, review proposed changes to compensation and classification plans and submit recommendations to the Commission.
- Report periodically, or as requested, to the Commission on matters relating to the Merit System.

### **Discussion of Proposed Merit System Board Budget**

Both counties fund the Merit System Board's budget equally. The Board is comprised of three members whose salaries are set by contract. The Commission has discretionary powers to set the rate of pay for each of the Merit System Board members. At the present time, no salary increase has been approved for the Board members.

The Board is supported by one part-time Merit System position. For FY19, the part-time hours of the Merit System position are not expected to change.

### **FY19 Budget Priorities and Strategies**

Continue to provide:

- Timely review of cases.
- Objective review of matters and policy recommendations before the Board.
- Quality services to the agency and employees.

### **Adjustment to Base Budget and Known Operating Commitments**

The proposed FY19 budget level is \$168,825, and remains relatively flat, with a small decrease of 1.05% (or \$1,789) from FY18 level of \$170,614. This decrease is primarily due to the personnel projection cost provided by the Corporate Budget Office.

The FY19 total budget of \$168,825 is allocated as follows:

- \$84,413 for Montgomery (adjusted from \$85,307 in FY18).
- \$84,413 for Prince George's (adjusted from \$85,307 in FY18).

**Additional Essential Needs/Requests:** The Board has not proposed any new initiatives for FY19.



**MERIT SYSTEM BOARD  
FY19 OPERATING BUDGET REQUEST**

	MC	PGC	Department Total	% Change
<b>FY18 Adopted Budget</b>	<u>\$ 85,307</u>	<u>\$ 85,307</u>	<u>\$ 170,614</u>	
 <b>FY18 BASE BUDGET INCREASES</b>				
Salaries	(730)	(730)	(1,460)	
Benefits	(145)	(145)	(289)	
Chargebacks	-	-	-	
Other Operating Charges	(20)	(20)	(40)	
 <b>Subtotal Base Budget FY18</b>	 <u>\$ 84,413</u>	 <u>\$ 84,413</u>	 <u>\$ 168,825</u>	 <b>-1.0%</b>
 <b>FY19 PROPOSED CHANGES/ESSENTIAL NEEDS</b>				
Specific Request	<u>-</u>	<u>-</u>	<u>-</u>	
Subtotal Proposed Changes	<u>-</u>	<u>-</u>	<u>-</u>	
 <b>Total FY19 Proposed Budget Request</b>	 <u>\$ 84,413</u>	 <u>\$ 84,413</u>	 <u>\$ 168,825</u>	 <b>-1.0%</b>



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION  
 7833 Walker Drive • Greenbelt, Maryland 20770

October 19, 2017

To: Prince George's County Planning Board

Montgomery County Planning Board

From: Renee Kenney, Chief Internal Auditor

Re: FY19 Budget Request/Justification

The Office of Internal Audit submits the following FY19 budget proposal for your consideration and approval:

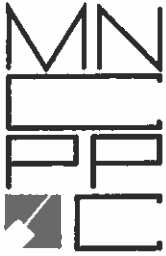
Office of the Inspector General						
PRELIMINARY FY19 OPERATING BUDGET REQUEST						
			MC Admin Fund	PGC Admin Fund	DEPARTMENT TOTAL	% Change
		<b>FY18 Adopted Budget</b>	<b>\$ 261,337</b>	<b>\$ 365,535</b>	<b>\$ 626,872</b>	
<b>FY19 BASE BUDGET INCREASES</b>						
		Salaries	(411)	5,317	4,906	
		Benefits	2,689	6,277	8,966	
		Other Operating Changes			-	
		Chargebacks		(5,803)	(5,803)	
		FY18 One-time Expenses				
		<b>Subtotal Increase - Base Budget Request</b>	<b>\$ 2,278</b>	<b>\$ 5,791</b>	<b>\$ 8,069</b>	<b>1.3%</b>
		Change to Base Between Counties from Labor Cost Allocation Change				
<b>PROPOSED CHANGES</b>						
		CIO/CWIT	5,855	5,120	10,975	
		<b>Subtotal Proposed Changes</b>	<b>\$ 5,855</b>	<b>\$ 5,120</b>	<b>\$ 10,975</b>	<b>1.8%</b>
		<b>Total Increase FY19 Proposed Budget Request</b>	<b>\$ 269,470</b>	<b>\$ 376,446</b>	<b>\$ 645,916</b>	<b>3.0%</b>
			3.1%	3.0%	3.0%	

The OIA proposed FY19 budget reflects an overall increase of \$19,044 or 3.0% over FY18, resulting in a total FY19 budget of \$645,916. If approved, Montgomery County's budget will increase \$8,130 (3.1%) and Prince George's County budget will increase \$10,911 (3.0%). One full time, Senior Auditor, position is included as a chargeback to Prince George's County. The \$5,803 increase in the annual chargeback cost can be attributed to approved salary increases. The FY19 salary estimates are not reflective of FY19 compensation markers.

Special requests include an additional \$10,975 of allocations to the Office of the Chief Information Officer for Commission wide IT initiatives.

The Office of the Inspector General is not requesting any additional positions or funding for FY19.

Thank you for your consideration.



MEMORANDUM

DATE: October 12, 2017

TO: Montgomery County Planning Board  
Prince George's County Planning Board

FROM: Joseph C. Zimmerman, Secretary-Treasurer

SUBJECT: Finance Department FY19 budget submission

In developing this preliminary estimate of the FY 19 budget request, the Finance Department has carefully considered how to meet the service needs of the operating departments.

You will note that the budget request excludes the former Finance IT Division, which is now managed by the Office of the CIO. I support this change as it will allow greater focus on Commission wide IT priorities, and have every confidence in the CIO.

Comments on specific items are as follows:

- Minor changes in the base budget are reflective of the current complement of personnel and their assignments. The base budget does not include any request for merit or COLA, as those are requested separately by the Budget Office.
- Recalculation of chargebacks for FY 19 results in minor reduction, which will need to be made up from the Administration Fund to maintain service levels.

After careful consideration and input from the operating departments, there are two proposed funding requests for fiscal 2019:

- Addition of a skilled purchasing professional to focus on Information Technology matters. The number and complexity of these procurements is increasing,

making it difficult to provide the level of support necessary. While we have expertise on staff, there are simply not enough staff hours available. The vision is to form a group within the division to provide these services, similar to the construction group which has proven successful.

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- The second request is to reduce projected salary lapse to 0%. You will recall that lapse was reduced to 1% in the FY 18 budget in anticipation of full staffing. At this point, all positions are filled. Anticipated retirement of key individuals in FY 19 will likely produce negative lapse due to vacation payouts and the need to quickly fill those positions to maintain service levels.

In addition to the above requests, I have included cost allocations from the OCIO and Commission Wide IT Initiatives funds in their entirety. Some of these costs are already included in the Corporate IT budget managed by the CIO. Further refinement of the request will allow more accurate assignment of these costs. For the moment, they are included here to ensure they are addressed.

Thank you for your consideration and review of this preliminary request. I look forward to discussing it with you.

**FINANCE DEPARTMENT  
PRELIMINARY FY19 OPERATING BUDGET REQUEST**

	MC Admin Fund	PGC Admin Fund	DEPARTMENT TOTAL	% Change	Positions
FY18 Adopted Budget	\$ 3,375,656	\$ 3,859,482	\$ 7,235,138	-	
Less Corp IT	\$ (1,456,440)	\$ (1,873,644)	\$ (3,330,084)		
<b>FY18 Finance Only Adopted</b>	<b>\$ 1,919,216</b>	<b>\$ 1,985,838</b>	<b>\$ 3,905,054</b>		
Salaries	(28,035)	(9,942)	(37,977)		
Benefits	(9,295)	(2,828)	(12,123)		
Other Operating Changes	1,814	2,336	4,150		
Chargebacks	(7,674)	28,110	20,436		
<b>Subtotal Increase - Base Budget Request</b>	<b>\$ (43,190)</b>	<b>\$ 17,676</b>	<b>\$ (25,514)</b>	<b>-0.7%</b>	
<b>Between Counties from Labor Cost Allocation Change</b>					
Purchasing IT Buyer	60,306	77,694	138,000		1.0
Reduction in Lapse to 0%	22,986	29,614	52,600		
OCIO New Initiatives	11,748	8,344	20,092		
OCIO CWIT New Initiatives	24,600	24,600	49,200		
*OCIO Base	33,633	23,888	57,521		
*OCIO CWIT	58,000	58,000	116,000		
*CBD Communication Fees	7,490	9,769	17,259		
<b>Subtotal Proposed Changes</b>	<b>\$ 218,763</b>	<b>\$ 231,909</b>	<b>\$ 450,672</b>	<b>11.5%</b>	
<b>Total Increase FY19 Proposed Budget Request</b>	<b>\$ 175,573</b>	<b>\$ 249,585</b>	<b>\$ 425,158</b>	<b>10.9%</b>	



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

6611 Kenilworth Avenue • Riverdale, Maryland 20737

October 12, 2017

TO: Montgomery County Planning Board  
Prince George's County Planning Board

FROM: Mazen Chilet, Chief Information Officer

SUBJECT: FY19 Proposed Budget

**MISSION**

The Chief Information Officer (CIO) reports to the Executive Committee to ensure Commission-wide focus on technology systems. The CIO is responsible for strategic planning for the enterprise-wide IT systems in collaboration with departments to meet business needs. The CIO also functions as the Commission's Chief Technology Security Officer. The Office of the CIO (OCIO) has its own office space in the Executive Office Building in the suite of the Office of the Executive Director.

**Executive Overview**

Working in collaboration with the Chief Technology Officers of each department and the Information Technology Council the Office of the Chief Information Officer (OCIO) has submitted the FY 19 budget with the following highlights.

Fiscal year 2018 (FY18) has seen continued success in identifying required policy enhancements in the face of increased information technology security threats and breaches. The OCIO launched Security Awareness Training for the all Commission staff. This initiative will help reduce IT security risks. The OCIO and the IT Council worked diligently to develop a comprehensive IT Governance and Vision policy statements. The OCIO worked closely with the Office of Internal Audit to review of our information technology environment and the policies that govern it, identified gaps and made recommendations. Our focus is to ensure that the integrity and confidentiality of Commission's data is protected under all circumstances. A comprehensive security assessment has been carried out and recommendations will be promptly implemented to ensure that the Commission's environment is able to face and mitigate all types of threats in the increasingly changing technology environment. Additionally, the OCIO will continue to work with the Information Technology Council to set project priorities and to ensure that projects are aligned with Commissions goals and objectives.



The Office of the Chief Information Officer submits the following FY19 budget proposal for your consideration. The CIO’s budget is presented in three sections:

- CIO ISF (internal service fund)
- CIO – Corporate IT
- CWIT ISF – Commission-wide IT initiatives

**CIO ISF**

The base CIO budget reflects an increase of 3.9%, primarily reflecting the full cost of recently filled positions. New Initiatives bring that total increase up to 40.2%.

<b>FY18 Adopted Budget</b>	<b>\$ 1,017,199</b>	% Change	Positions
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**FY19 BASE BUDGET INCREASES**

Salaries & Benefits	64,139		
Other Operating Changes	<u>(24,584)</u>		
<b>Subtotal Increase - Base Budget Request</b>	<b>\$ 39,555</b>	3.9%	

**NEW INITIATIVES**

Security Officer	144,313		1.0
Consulting Services	120,000		
Commission-wide Training	90,000		
Office Supplies	<u>15,000</u>		
<b>Subtotal Proposed Changes</b>	<b>\$ 369,313</b>	36.3%	

<b>Total Increase FY19 Proposed Budget Request</b>	<b>\$ 408,868</b>	40.2%	1.0
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**CIO Initiatives**

<b>IT Security Officer (ITSO)</b>	<b>Budget: \$144,313</b>
<ul style="list-style-type: none"> <li>The IT Security Officer is responsible for developing and implementing an information security program, which includes procedures and policies designed to protect enterprise communications, systems and assets from both internal and external threats. The ITSO will assist in developing specification for the procurement of cybersecurity products and services and to manage disaster recovery and business continuity plans.</li> <li>This position was approved last year for ½ year but we gave up the in support of Montgomery County Parks budget cuts with the intentions to request it for FY19. It is critical to the security of the Commission’s networks that this position to be supported.</li> </ul> <p>CIO’s Recommendation: Yes</p>	
<b>IT Council Majority Support: No</b>	

<b>Consulting Services</b>	<b>Budget: \$120,000</b>
<p>This is intended to increase the funding for the consulting services to be able to conduct specific studies and assessment. It will also allow the flexibility for the CIO to facilitate presentations from independent consultants before IT Council and Department Heads. Additionally, the Implementation of the IT Governance that is currently underway and is at the point where expert validation and compliance to industry standards will require the capability of external consulting IT firms</p> <p>CIO's Recommendation: Yes</p>	
IT Council Majority Support: No	

<b>Training Budget</b>	<b>Budget: \$90,000</b>
<p>This fund will provide training to MNCPPC IT professional in Enterprise IT technology discipline that is normally not recognized or performed at the department level. New training in networking and security disciplines will arise as requirements to realize Enterprise Infrastructure strengthening.</p> <p>CIO's Recommendation: Yes</p>	
IT Council Majority Support: No	

<b>Office Supplies</b>	<b>Budget: \$15,000</b>
<p>The OCIO Staff grew to 5 full time employees which requires additional operations related supplies</p> <p>CIO's Recommendation: Yes</p>	
IT Council Majority Support: Yes	

As the CIO ISF is funded by charges back to the supported departments, if the proposed requests are approved, the budgetary impact on each department is as follows:

**Impact on Departmental Budgets of Proposed CIO Requests**

MC Planning	48,121
MC Parks	82,724
PGC Planning	31,436
PGC Parks	99,447
PGC Recreation	66,299
DHRM	12,386
Finance	20,092
Legal	8,258
Inspector General	550
	<hr/>
	<b>369,313</b>

**CIO – Corporate IT**

As part of the reorganization of the Commission’s IT function, the IT division of the Finance Department has been split off from Finance and will remain in the Administration Funds of both counties, but under the management and control of the CIO.

This budget is proposed to increase by 0.1%.

**FY18 Adopted Budget** \$ 4,207,804

**FY19 BASE BUDGET INCREASES**

	Salaries & Benefits	(11,938)	
	Other Operating Changes	118,133	
	Chargebacks	<u>(102,995)</u>	
	<b>Subtotal Increase - Base Budget Request</b>	<b>\$ 3,200</b>	0.1%
	<b>Total Increase FY19 Proposed Budget Request</b>	<b>\$ <u>3,200</u></b>	0.1%      0.0

Funding for this portion of the CIO’s budget is through each of the Administration Funds.

**CWIT ISF**

The request for Commission-wide IT Initiatives is presented in two sections: ongoing software license fees, and new initiatives.

Ongoing projects are proposed at \$1,220,000, which is \$40,000 less than FY18.

Ongoing:

Microsoft Licenses	900,000
Kronos Cloud Services	120,000
Adobe Cloud	140,000
Website	60,000
	<hr/>
	1,220,000

New Initiatives:

Website Upgrade	60,000
Security Assessment	135,000
ERP Enhancements	300,000
EAM Enhancements	200,000
Intranet Upgrade	150,000
ECM Feasibility	150,000
Enterprise Service Bus (ESB) Architecture	600,000
	<hr/>
	1,595,000

**Commission Wide IT (CWIT) Initiatives**

<b>ERP Enhancements</b>	<b>Budget: \$300,000</b>
<p>Transformative automation, business Value Dashboards, and integrations with other systems. The CIO is preauthorized to use towards incremental enhancements and additional features. Additional Modules, upgrades or major enhancements will need to get approved and funded by IT Council.</p> <p>CIO's Recommendation: Yes</p> <p>The Version 10 upgrade will conclude by Dec 2018, leaving the OCIO six months without ERP funds. New and improved business processes will be part of the V10 upgrade; however, it doesn't mean much if your employees aren't executing the new processes. Even the best designed software in the world won't matter if users are still reverting back to their Excel spreadsheets and manual workarounds. For this reason, organizational change management, communications and training is critical to ensuring that we realize more efficient business processes</p> <p>Business process reengineering shouldn't be a one-time activity. Instead, it is an activity that should continue beyond go-live. This helps ensure that operations stay aligned with ERP system (and vice versa), which will ultimately lead to MNCPPC getting more mileage out of your ERP investment.</p> <p>The ERP Infor V10 upgrade project has a contingency, if the contingency is not spent then it can be used to cover the remainder of FY19. ERP improvements as an ongoing effort is a recognized best practice in the industry.</p>	
<p>With that, I recommend reducing the budget request to \$150,000</p>	
<p>IT Council Majority Support: No</p>	

Enterprise Asset Management (EAM) Enhancements	Budget: \$200,000
<p>Transformative automation, business Value Dashboards, and integrations with other systems. The CIO is preauthorized to use towards incremental enhancements and additional features. Additional Modules, upgrades or major enhancements will need to get approved and funded by IT Council.</p> <p>CIO's Recommendation: No</p> <p>The ERP ongoing effort to improve business processes and the ESB Service bus architecture (ESB study is proposed for FY19) would pave the way for a well-structured forthcoming EAM enhancements</p>	
IT Council Majority Support: No	

Commission website upgrade	Budget: \$60,000
<p>enhancements to Commission's external websites. Includes:</p> <ul style="list-style-type: none"> <li>• Content Management System (CMS) maintenance</li> <li>• Development, Design and Marketing</li> <li>• Integration with additional systems (I.E Active Directory)</li> <li>• Advanced analytics to monitor advertising and conversion rates</li> </ul> <p>CIO's Recommendation: Yes</p>	
IT Council Majority Support: Yes	

Commission Intranet upgrade	Budget: \$150,000
<ul style="list-style-type: none"> <li>• Upgrade of existing Intranet (InSite) to a new supported platform. Plans to move to a supported platform. Additionally, the upgrade will allow access to content outside of our network in a secure manner. The addition of features such as Tutorials and step by step guides, Commission News, and employee profiles; and extend it all out to through external access as an Extranet.</li> </ul> <p>CIO's Recommendation: Yes</p>	
IT Council Majority Support: Yes	

Annual Commission Wide IT Security Assessment	Budget: \$135,000
<p>Annual penetration testing and vulnerability risk assessment by external vendor. This Includes verifying fixes to vulnerabilities resulting from previous assessments and identify any new threats or vulnerabilities.</p> <p>Benefits:</p> <ul style="list-style-type: none"> <li>• Continuous improvement of the Commission’s security posture.</li> <li>• Minimize risk of hacking threats and vulnerabilities</li> </ul> <p>CIO’s Recommendation: Yes</p>	
IT Council Majority Support: No	

Enterprise Service Bus (ESB) Architecture	Budget: \$600,000
<p>Enterprise Service Bus infrastructure (ESB) addresses several corresponding needs for robust, cost efficient information management solutions:</p> <ul style="list-style-type: none"> <li>• ESB provides a streamlined data integration and transformation solution between Commission applications. Current application total is 264, MC side has 106, PG side has 52, and CAS has 106 applications</li> </ul> <p>CIO’s Recommendation: Yes</p> <p>The a MNCPPC ESB, we will immensely improve our ability to manage all data exchange between Commission applications. Moving to an ESB, will reduce the number of Commission interfaces by shifting application-specific data parsing to the ESB and associated cost of building single interfaces for each application we integrate. The ability to integrate Commission’s systems and applications is a sure way to be able to leverage the data collected by the various systems.</p> <p>Considering the ESB complexity the roll out will be done over multiple years. I recommend that we fund a project to carry out a detailed study of how an Enterprise ESB will be deployed within the Commission.</p>	
The budget request for the study would be \$150,000	
IT Council Majority Support: No	

<b>Enterprise Content Management (ECM) Feasibility &amp; Requirements Study</b>	<b>Budget: \$150,000</b>
<p>An Enterprise Content Management (ECM) solution will help the Commission to organize, manage and distribute documents, images, departmental specific information. The project involves conducting a thorough needs assessment and for the Project team to establish a comprehensive inventory of requirements and identify a solution that will store, track, edit, and collaborate on content creation and other information related projects, while maintaining appropriate security levels. The solution will also streamline the life-cycle of information and automates various business processes using embedded workflows. ECM Key Features: Regulatory Compliance, Access Controls, Document Capture, Archiving &amp; Retention, Document and Content Management, Document Security, Business Process Automation, E-Forms, Electronic Signature, Disaster Recovery.</p> <p>CIO's Recommendation: Yes</p>	
IT Council Majority Support: Yes	

As the CWIT ISF is funded by charges back to the supported departments, if the proposed requests are approved, the budgetary impact on each department is as follows:

<b>Impact on Departmental Budgets of Proposed CWIT Requests</b>	
MC Planning	87,900
MC Parks	520,600
PGC Planning	119,500
PGC Parks	418,300
PGC Recreation	318,300
DHRM	43,000
Finance	49,200
Legal	22,200
Inspector General	13,000
CIO	3,600
	<b>1,595,600</b>

In addition, the CWIT budget includes debt service of \$195,500 for the Alliance access and security system replacement, whose project was budgeted in FY17.

Following are two charts of the departmental impacts by requested CIO initiative and CWIT initiative.



<b>CIO Initiatives</b>				
	IT Security Officer	Training Budget Increase	Consulting Services Increase	Office Supply Increase
<b>Prince George's:</b>				
Planning	12,284	7,661	10,214	1,277
Parks	38,860	24,235	32,313	4,039
Recreation	25,907	16,157	21,542	2,693
DHRM	2,010	1,254	1,671	209
Finance	3,261	2,033	2,711	339
Legal	1,340	836	1,114	139
Internal Audit	89	56	74	9
	83,751	52,232	69,639	8,705
<b>Montgomery:</b>				
Planning	18,804	11,727	15,636	1,954
Parks	32,325	20,160	26,879	3,360
DHRM	2,830	1,765	2,353	294
Finance	4,591	2,863	3,817	477
Legal	1,887	1,177	1,569	196
Internal Audit	126	78	105	13
	60,563	37,770	50,359	6,294
	144,314	90,002	119,998	14,999

### CWIT Initiatives

FY19 Initiative	PGC Planning		PGC Parks		PGC Rec		DHRM - PGC		Finance - PGC		Legal - PGC		Audit - PGC		CIO - PGC		MC Planning		MC Parks		DHRM - MC		Finance - MC		Legal - MC		Audit - MC		CIO - MC		Total	
Website Upgrade	12,600	13,200	13,200	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	3,000	3,000	3,000	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	60,000	
Security Assessments	13,500	20,300	20,300	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	13,500	40,500	40,500	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	135,300		
ERP Enhancements	23,300	71,200	71,200	4,100	4,900	71,200	4,100	4,100	4,900	4,900	1,500	400	400	400	100	17,900	94,300	17,900	94,300	4,100	4,100	4,100	4,900	4,900	1,500	1,500	400	400	100	299,900		
EAM Enhancements	-	100,000	100,000	-	-	-	-	-	-	-	-	-	-	-	-	-	100,000	-	100,000	-	-	-	-	-	-	-	-	-	-	200,000		
Intranet Upgrade	11,700	35,600	35,600	2,100	2,500	35,600	2,100	2,100	2,500	2,500	800	200	200	200	-	8,900	47,100	8,900	47,100	2,100	2,100	2,100	2,500	2,500	800	800	200	200	-	150,100		
ECM Feasibility	11,700	35,600	35,600	2,100	2,500	35,600	2,100	2,100	2,500	2,500	800	200	200	-	8,900	47,100	8,900	47,100	2,100	2,100	2,100	2,500	2,500	800	800	200	200	-	150,100			
Enterprise Service Bus (ESB) Architecture	46,700	142,400	142,400	8,300	9,800	142,400	8,300	8,300	9,800	9,800	3,100	800	800	200	35,700	188,600	35,700	188,600	8,300	8,300	8,300	9,800	9,800	3,100	3,100	800	800	200	600,200			
<b>Total</b>	<b>119,500</b>	<b>418,300</b>	<b>318,300</b>	<b>21,500</b>	<b>24,600</b>	<b>318,300</b>	<b>21,500</b>	<b>21,500</b>	<b>24,600</b>	<b>24,600</b>	<b>11,100</b>	<b>6,500</b>	<b>6,500</b>	<b>1,800</b>	<b>87,900</b>	<b>520,600</b>	<b>87,900</b>	<b>520,600</b>	<b>21,500</b>	<b>21,500</b>	<b>21,500</b>	<b>24,600</b>	<b>24,600</b>	<b>11,100</b>	<b>11,100</b>	<b>6,500</b>	<b>6,500</b>	<b>1,800</b>	<b>1,595,600</b>			