



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
6611 Kenilworth Avenue • Riverdale, Maryland 20737

October 8, 2021

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

From: Asuntha Chiang-Smith, Executive Director
Katie Knaupe, Deputy Corporate Budget Director
Michael Beckham, Acting Corporate Policy and Management Operations Director
Brian Coburn, Acting Budget & Management Operations Chief

Subject: FY23 Proposed Budgets

- Department of Human Resources and Management
- Risk Management Internal Service Fund
- Central Administrative Services Support Services
- Merit System Board

Requested Action

We are requesting approval of the FY23 proposed Department of Human Resources and Management (DHRM), Central Administrative Services (CAS) Support Services operations, and Merit System Board Administration Fund budgets.

The proposed budgets have been developed following an analysis of program needs along with wage and benefit projections provided by the Corporate Budget Office. Compensation projections are preliminary and will be updated as the Corporate Budget Office continues to refine projections.

I. DEPARTMENT OF HUMAN RESOURCES AND MANAGEMENT

The Department of Human Resources and Management (DHRM) provides the programs that support our talented and diverse workforce as they serve county residents and agency patrons. The Department utilizes specialized expertise to effectively administer agency-wide programs and initiatives to ensure a fair and equitable workplace, transparent budgeting, and employee wellbeing and safety.

FY23 Priorities

Measuring our Performance: In FY22, the Department is focusing on creating and standing up a robust set of metrics to measure the agency's overall performance. Funding for FY23 is requested to continue to develop and refine this program.

Supplier Diversity Program: The development of this program, which is mandated by State legislature, was initially led by the Finance Department. Administration of the program will now be transferred over to DHRM to ensure objectivity is in place for the agency to properly assess existing procurement policies and recommend adjustments to align them with the agency's commitment to supplier diversity.

Succession Planning: The Department has successfully completed the initial phase of Succession Planning analysis. The focus will now be implementing the results of the analysis with a focus on diversity, equity and inclusion through leadership development and specialized training to prepare staff members to easily step into critical roles as they become vacant.

Labor Relations: Negotiations with our unions have become a year-round process in response to the unprecedented issues presented for bargaining due to COVID-19. This trend is anticipated to continue into FY23 as bargaining over vaccination requirements, the implementation of a new State law regulating elements of law enforcement and other worksite issues will continue.

The Department also will be focused on continuing to develop programs to proactively mitigate and address stressors that COVID-19 and civil unrest have placed on our communities in the workplace. This includes educating managers and coworkers alike on what is acceptable in the work environment and partner with the agency's Diversity Council and our Park Police divisions to ensure Diversity, Equity and Inclusion efforts are being coordinated across the Commission.

Classification and Compensation: The Department is on target to complete the Classification and Compensation study in FY23.

While not yet included in the proposed budget request, Department Heads were informed on September 29th that \$330,000 will be required to finalize the study – but, at that time, no departmental funding allocation was discussed. These funds will enable Human Resources to retain an external contractor who aids with allocating the Merit Board approved reclassifications. In prior years, these expenses were funded from within Prince George's budgets and with CAS year-end savings. We are currently working on developing an appropriate departmental allocation that would be added to the final proposed budgets before presentation to the Planning Boards in November.

Communications Study: The Department is continuing to coordinate with the Departments in managing the agency's coordinated communications processes. These efforts will continue to be expanded to provide the framework for effective communications strategies and messaging across the agency.

Proposed Budget Overview

The FY23 proposed base budget is \$6,464,548, which is an increase of 8.4%, or \$500,741. This increase is driven by personnel services and bringing the budget back up to normal levels after budget reductions were applied in FY22.

Personnel Services: DHRM salaries and benefits are projected to increase by 8.2% to account for increased benefit cost estimates and the transfer of the Supplier Diversity Program Manager position to the Department.

Other Operating Charges: Discretionary costs for supplies, other services and charges are proposed to remain relatively flat with a 3.0% increase.

Proposed New Initiatives

DHRM is requesting 2 new positions and to support new CWIT initiatives. These proposed changes increase the base budget request by 4.5% to a total of \$6,732,366.

Adding a Technical Specialist to the HR Records Team (\$124,482): The HR Records and Information Systems (HRIS) team is responsible for securely updating, maintaining, and safeguarding records for every person who has been and is currently employed by the Commission. This responsibility includes manually updating employee records each time a change is requested, including COLA and merit increases, additions, terminations, reclassifications, and personal information changes. These records include personally identifiable information (PII) and must be maintained and processed in compliance with Federal and State laws, agency policies and collective bargaining agreements.

The key element to maintaining this compliance is to ensure upgrades to the ERP system properly incorporate the needs of this division. A representative to champion and properly translate these requirements at the onset of the project is vital to the operations of the agency, and the success of the ERP update. Without this position, the risk of increased implementation costs to the agency, delays in programming/deployment of the ERP upgrade and lack of functionality of essential Commission-wide HR systems is significant.

Adding a Records Specialist to the Corporate Archives and Records Management Team (\$93,746):

Corporate Archives executes several programs ***mandated by State law*** including physically protecting the agency's official records, adhering to public recordkeeping requirements, modernizing document storage through digitization, and responding to the Maryland Public Information Act (MPIA) requests received within mandated timeframes. Internally, each Department relies heavily on this division to house and care for their records and provide expertise to identify which records are required to be kept permanently and which records should be disposed of. Current priorities include accelerating the digitization of records to improve public access to governmental records, assisting with the transition away from the creation and storage of more paper and its impact on the environment, and supporting the increased need from the Departments to store documents that are not taken to new locations.

This program only has one full-time career employee and one part time career employee assigned. With only one full-time employee, this small team is not equipped to continue to meet State mandates, current priorities, and increased responsibilities. Additionally, disruptions in current staffing could result in large amounts of risk to our agency without a second full-time career position to provide essential program backup.

Supporting new CWIT Request – Continuation of Operations Plan (\$45,000): The Department's portion of the new CWIT initiatives to implement the agency's Continuation of Operations Plan.

Supporting new CWIT Request – Learning Management System (\$4,860): The Department's portion of the new CWIT initiatives to implement the agency's Learning Management System.

Funding Allocation

The funding allocation for FY23 is 40.1% Montgomery and 59.9% Prince George's, which is a shift of 0.8% from Montgomery to Prince George's compared to the FY22 allocation. The total budget is allocated as follows:

- Montgomery: \$2,838,647, an increase of 10.1% from FY22.
- Prince George's: \$3,893,719, an increase of 15.0% from FY22.

DEPARTMENT OF HUMAN RESOURCES & MANAGEMENT
PRELIMINARY FY23 OPERATING BUDGET REQUEST

	MC Admin Fund	PGC Admin Fund	DEPARTMENT TOTAL	% Change Positions
FY22 Adopted Budget	\$ 2,578,932	\$ 3,384,875	\$ 5,963,807	

FY23 BASE BUDGET INCREASES

Salaries	45,390	158,190	203,580	
Benefits	49,794	105,206	155,000	
Other Operating Changes	8,655	19,643	28,298	
Chargebacks	(13,039)	(14,207)	(27,246)	
Position transfer from Finance	56,585	84,524	141,109	
Subtotal Increase - Base Budget Request	\$ 147,385	\$ 353,356	\$ 500,741	8.4%

Change to Base Between Counties from Labor Cost Allocation Change

PROPOSED CHANGES

CWIT - COOP	22,500	22,500	45,000	
CWIT - Learning Management System	2,430	2,430	4,860	
HR ERS Automation Position	49,917	74,565	124,482	
Records Specialist Position	37,483	55,993	93,476	
Subtotal Proposed Changes	\$ 112,330	\$ 155,488	\$ 267,818	4.5% 2.0
Total Increase FY23 Proposed Budget Request	\$ 2,838,647	\$ 3,893,719	\$ 6,732,366	12.9% 2.0

II. RISK MANAGEMENT INTERNAL SERVICE BUDGET

This Fund supports a vigorous Commission-wide risk management program that provides safe facilities and programs for employees and patrons, protects agency assets, and ensures compliance with Federal and State regulations.

Full details of the budget will be presented at the November Planning Board meetings; however, the Fund is requesting a new position.

Proposed New Initiatives

New Safety Specialist Position (\$129,160): The Internal Administrative Expenses support the agency's internal Risk Management Unit in administering the agency's robust Risk and Safety program. Our current safety team only has 3 specialists responsible for suspected COVID-19 case investigations, inspections, accident investigations, emergency preparedness plans, trainings, and safety audits for a workforce of over 8000 employees and hundreds of facilities. This immense workload makes it very difficult for the agency to achieve our current regulatory mandates. We need an additional designated Safety Specialist to provide each agency department a designated representative to ensure public health measures are developed, implemented, and monitored pertaining to public facing programs, youth services, and workplace protocols. Further, this position also will serve as the Commission operations COOP manager, responsible for keeping the Commission's COOP updated, conducting appropriate training and desktop exercises and ensuring coordination between the Commission and Prince George's and Montgomery counties on emergent situations and responses.

III. CENTRAL ADMINISTRATIVE SUPPORT SERVICES BUDGET

This budget includes non-discretionary, shared operating expenses for the bi-county departments and units that make up Central Administrative Services (CAS).

FY23 Priorities

Ongoing Operations: Continue to provide cost-effective support to CAS Departments and Units by funding shared unemployment costs, supplies, telecommunications, succession planning, postage, shredding, and occupancy expenses.

Proposed Budget Overview

The FY23 proposed budget is \$1,562,626 which reflects a 9.5% increase of \$135,776. This increase is driven by the following factors:

Occupancy Expenses: The main cost driver for this budget is rent, which has increased 18% compared to FY22 levels due to:

Tenant Changes: Prince George's Parks and Recreation Information Technology and Communications Division was slated to move out of the EOB building before the start of FY22. These plans were delayed, and the division is planning on vacating their space in the fall of 2021. Presumably, CAS will take over this space, which is reflected in an increased occupancy cost for FY23.

Executive Office Building Repairs and COVID-19 Response: Expenses for cleaning, personal protective equipment, supplies, building system maintenance, and necessary updates to the building to address COVID-19 are charged to CAS through rent, which has been increased by 4% for FY23.

Risk Management: The CAS portion of Workers' Compensation and liability funding is projected to increase by 6% in FY23.

Proposed New Initiatives

There are no new requests for FY22.

Funding Allocation

The funding allocation for FY22 is 44.0% Montgomery and 56.0% Prince George's, which is a 0.4% shift from Montgomery to Prince George's compared to the FY22 allocation. The total budget is allocated as follows:

- Montgomery: \$689,019, an increase of 8.6% from FY22.
- Prince George's: \$873,607, an increase of 10.2% from FY22.

CAS SUPPORT SERVICES
PRELIMINARY FY23 OPERATING BUDGET REQUEST

	MC Admin Fund	PGC Admin Fund	DEPARTMENT TOTAL	% Change
FY22 Adopted Budget	\$ 634,336	\$ 792,514	\$ 1,426,850	

FY23 BASE BUDGET INCREASES

Salaries	-	-	-	
Benefits	(40)	40	0	
Other Operating Changes	54,723	81,053	135,776	
Chargebacks	-	-	-	
FY22 One-time Expenses	-	-	-	
Subtotal Increase - Base Budget Request	\$ 54,683	\$ 81,093	\$ 135,776	9.5%

Change to Base Between Counties from Labor Cost Allocation Change

PROPOSED CHANGES

No new initiatives proposed	-	-	-	
Subtotal Proposed Changes	\$ -	\$ -	\$ -	0.0%

Total Increase FY23 Proposed Budget Request	\$ 689,019	\$ 873,607	\$ 1,562,626	9.5%
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IV. MERIT SYSTEM BOARD BUDGET

The Merit System Board oversees the Commission's Merit System, upholds employee rights guaranteed under the Merit System, recommends employment and compensation policies to the Commission, and serves as the final administrative appellate body for employment matters pertaining to non-represented career employees. Three members serve on the impartial Board and are supported by one part-time position.

FY23 Priorities

Case Reviews: Continue to provide timely and objective review of cases and matters.

Proposed Budget Overview

The FY23 proposed budget is \$169,211 which reflects a 2.8% increase of \$4,663. This increase is driven by the following factors:

Personnel Services: Personnel Services are proposed to remain flat compared to FY22 levels.

Other Operating Charges: Discretionary costs for supplies have been restored to normal levels after and budget reductions in FY22, which is a 17.0% increase of \$4,690.

Proposed New Initiatives

There are no new requests for FY23.

Funding Allocation

Both counties fund the Merit System Board's budget equally. The total budget is allocated as follows:

- Montgomery: \$84,606, an increase of 2.8% from FY22.
- Prince George's: \$84,606, an increase of 2.8% from FY22.

MERIT SYSTEM BOARD
PRELIMINARY FY23 OPERATING BUDGET REQUEST

	MC Admin Fund	PGC Admin Fund	DEPARTMENT TOTAL	% Change Positions
FY22 Adopted Budget	\$ 82,274	\$ 82,274	\$ 164,548	

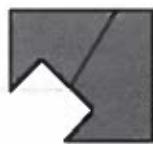
FY23 BASE BUDGET INCREASE

Salaries	(435)	(435)	(870)	
Benefits	422	422	843	
Other Operating Changes	2,345	2,345	4,690	
Chargebacks	-	-	-	
FY22 One-time Expenses				
Subtotal Increase - Base Budget Request	\$ 2,332	\$ 2,332	\$ 4,663	2.8%

Change to Base Between Counties from Labor Cost Allocation Change

PROPOSED CHANGES

Total Increase FY23 Proposed Budget Request	\$ 84,606	\$ 84,606	\$ 169,211	2.8%
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THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
Officer of the Secretary-Treasurer
6611 Kenilworth Avenue, Suite 204 • Riverdale, Maryland 20737

MEMORANDUM

DATE: October 7, 2021

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

FROM: Joseph C. Zimmerman, Secretary-Treasurer

SUBJECT: Finance Department FY23 budget submission

In developing this updated estimate of the FY 23 budget request, the Finance Department has carefully considered the service needs of the operating departments. This request is still considered preliminary.

The base budget request, including major known commitments, will increase by 5.6%. This large increase is due to increased benefit costs, the conclusion of the long-running reclassification project, and the annualization of multiple Merit increases approved in FY22.

After careful consideration and input from the operating departments, there are three proposed funding requests for fiscal 2023:

- Funding is requested for a new Payroll Accountant position to decrease the high risk associated with a single position ensuring we stay in tax compliance and assist with the extensive work program.
- The transfer of the Diversity Business Program Manager to the Department of Human Resources and Management (DHRM).
- Funding for Finance's share of Commission Wide IT initiatives which are presented as part of the Office of the CIO's budget request, and I support them.

Should the request be funded in its current form, an additional \$346,077 or 6.5% of additional funds will be required in FY 23 vs FY 22, per the attached schedule.

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

FINANCE DEPARTMENT

PRELIMINARY FY23 OPERATING BUDGET REQUEST

	MC Admin Fund	PGC Admin Fund	DEPARTMENT TOTAL	% Change	Positions
FY22 Adopted Budget	\$ 2,393,314	\$ 2,948,743	\$ 5,342,057		47.00
Salaries	77,437	126,513	203,950		
Benefits	47,755	68,681	116,436		
Other Operating Changes	-	-	-		
Chargebacks	(6,167)	(21,338)	(27,505)		
CIO/CWIT	4,654	1,641	6,295		
Release - Base Budget Request	\$ 123,679	\$ 175,497	\$ 299,176	5.6%	
Labor Cost Allocation Change					
New Diversity Manager to DHRM	(54,038)	(72,513)	(126,551)	(1.00)	
Payroll Accountant II	48,231	64,721	112,952	1.00	
Share of CIO/CWIT Initiatives	30,250	30,250	60,500		
Subtotal Proposed Changes	\$ 24,443	\$ 22,458	\$ 46,901		0.9%
23 Proposed Budget Request	\$ 2,541,436	\$ 3,146,698	\$ 5,688,134		6.5%
					47.00



Office of the General Counsel

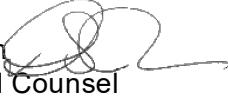
Maryland-National Capital Park and Planning Commission

Reply To

Adrian R. Gardner
General Counsel
6611 Kenilworth Avenue, Suite 200
Riverdale, Maryland 20737
(301) 454-1670 • (301) 454-1674 fax

MEMORANDUM

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

FROM: Debra S Borden 
Deputy General Counsel

Adrian R. Gardner
General Counsel

DATE: October 8, 2021

SUBJECT: **Legal Department Preliminary Budget Estimate – FY2023**

This memorandum presents a preliminary estimate to guide development of a FY23 budget proposal for the Office of General Counsel ("OGC" or "Legal Department"). We submit the following budget framework for discussion:

		MC Admin Fund	PGC Admin Fund	DEPARTMENT TOTAL	% Change
	FY22 Adopted Budget	\$ 1,611,525	\$ 1,385,985	\$ 2,997,510	
FY23 BASE BUDGET INCREASES					
	Salaries	231,139	125,103	356,242	
	Benefits	151,657	116,920	268,577	
	Other Operating Changes	4,995	4,896	9,891	
	Chargebacks	(295,468)	(66,132)	(361,600)	
	FY22 One-time Expenses				
	Subtotal Increase - Base Budget Request	\$ 92,323	\$ 180,787	\$ 273,110	9.1%
	Change to Base Between Counties from Labor Cost Allocation Change	\$ 1,703,848	\$ 1,566,772	\$ 3,270,620	
PROPOSED CHANGES					
	Department Share of CWIT LMS System	765	765	1,530	
	Department Share of CIO/CWIT Initiatives	2,500	2,500	5,000	
				-	
	Subtotal Proposed Changes	\$ 3,265	\$ 3,265	\$ 6,530	0.2%
	Total Increase FY23 Proposed Budget Request	\$ 1,707,113	\$ 1,570,037	\$ 3,277,150	9.3%

October 6, 2021

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Base Budget Overview

The Office of General Counsel has, in coordination with the Montgomery County Planning Board Chair, incorporated into the OGC a work unit made up of two (2) Senior Technical Hearing Writers for the Montgomery County Commissioners' Office. The OGC's FY23 will reflect the addition of these positions, as well as a corresponding chargeback from the Montgomery County Commissioners' Office. The FY23 Proposed Budget also accounts for the reduced servicelevel at MRO that was required to meet the FY 19, FY 20, FY21 and FY 22 funding cuts in the Montgomery County Administrative Fund. After providing for the combined fiscal impact of approved merit and make-up merit increases, including expected increases in fringe benefit costs, the fiscal impact of our personnel budget is a net increase of \$273,110 resulting in personnel services allocated to the respective administrative funds as follows:

- Montgomery County Administration Fund: \$1,703,858 (5.4% increase)
- Prince George's County Administration Fund: \$1,566,772 (11.5% increase)

These figures reflect the updated labor allocation formula between Montgomeryand Prince George's Counties respectively, 50.5% to 49.5%, as well as any changes in non-departmental charges passed through for capital equipment, the CIO allocation, CWIT charges, etc. Please refer to those non-departmental CAS budget estimates for specific details and amounts.

Additionally, our proposed estimate is based on a modest pass through of interdepartmental chargebacks that remain under discussion with our client departments. The proposed estimates will be subject to change to reflect final pension and/or OPEB numbers.

Conclusion

We hope the approach discussed above reflects an appropriate level of prudence and we look forward to additional discussion of our budget priorities.

* * *

cc: Melva Brown, Legal Department Program Manager

October 14, 2021

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

From: Renee Kenney, CIG, CPA, CIA, CISA
Inspector General

Renee M Kenney

Re: FY23 Budget Request/Justification

The Office of the Inspector General (OIG) submits the following FY23 budget proposal for your consideration and approval.

Office of the Inspector General					
PRELIMINARY FY23 OPERATING BUDGET REQUEST					
		MC Admin Fund	PGC Admin Fund	DEPARTMENT TOTAL	% Change
	FY22 Adopted Budget	\$ 371,243	\$ 370,144	\$ 741,387	
FY23 BASE BUDGET INCREASES					
	Salaries	(43,725)	67,176	23,451	
	Benefits	(8,755)	26,981	18,226	
	Other Operating Changes	(243)	95	(148)	
	Chargebacks		(7,968)	(7,968)	
	FY22 One-time Expenses				
	Subtotal Increase - Base Budget Request	\$ (52,723)	\$ 86,284	\$ 33,561	4.5%
	Change to Base Between Counties from Labor Cost Allocation Change	\$ (252)	\$ 252		
PROPOSED CHANGES					
	CWIT LMS	\$ 45	\$ 45	\$ 90	
	CWIT COOP	2,500	2,500	\$ 5,000	
	Professional Service Fund	40,900	59,100	100,000	
	Deputy Inspector General	65,427	94,541	159,968	
	Inspector III	48,067	69,458	117,525	
	Increase in Hotline Contract	194	280	474	
	Increase in Engagement Contract	336	485	821	
	Subtotal Proposed Changes	\$ 157,469	\$ 226,409	\$ 383,878	51.8%
	Total Increase FY23 Proposed Budget Request	\$ 475,989	\$ 682,837	\$ 1,158,826	56.3%

The OIG is requesting a 56.3% increase to their FY22 budget. The proposed total of \$1,158,826 includes base budget adjustments of \$33,561 and \$383,878 of proposed changes, discussed below.

Base Budget Adjustments (4.5%)

The \$33,561 represents approved pension, salary, and benefit costs of \$41,677. Although the total amount reflected denotes an increase, Montgomery County's share decreased by \$52,480, while Prince George's County increased by \$94,157. This can be attributed to a change in the calculation method of charge-back allocations. Prince George's County total chargebacks increased by \$7,968, positively impacting the OIG's budget¹. There was a slight adjustment in labor cost allocations between counties of \$252.

Proposed Changes (51.8%)

The OIG is requesting several adjustments to their budget at a total cost of \$383,878.

Two minor changes include increased contractual costs for the administration of the Commission's independent ethics and fraud hotline (**\$474**) and the Engagement Workpaper application (**\$821**). Both applications are critical to OIG operations.

The OIG is requesting **\$100,000** in professional service funds to secure contract funding for the review and remediation of increasing incidents and breaches to the Commission's network. Per Government Auditing Standards (§4.13), "Some engagements may necessitate the use of specialized techniques or methods that call for the skills of specialists." Attacks targeting government and critical infrastructures are nothing new and over the past two years, the effects of those attacks have increased and become more public. Currently the OIG has one IT Audit Manager tasked with audits, evaluations, fraud waste and abuse investigations, and review of incidents and breaches within the IT systems. This is a monumental effort. This additional resource is imperative in working towards a better cybersecurity posture for the Commission.

The OIG is requesting two new positions to support operations. The OIG currently has five (5) professional positions², including the Inspector General. The OIG's professional staffing level has remained flat since FY2015 when the Counties approved the IT Audit Manager position. In 2017 the Commission was legally mandated to create the Office of the Inspector General. No additional staffing was approved to meet this mandate. For benchmarking purposes, Washington Suburban Sanitary Commission was subject to similar legislation in 2018. They have a professional staffing level of 10 FTE's³ plus a full-time administrative position.

¹ Prince George's County Department of Parks and Recreation funds one Inspector III position.

² Inspector General, IT Audit Manager, three (3) Inspectors/Auditors. Note: The OIG has a part-time seasonal position to support operations, budgeted at \$27,989 (base and fringe).

³ 1 Inspector General; 1 Assistant Inspector General for Audit; 1 Deputy Assistant General for Audit; 1 General Counsel; 1 Investigator, 3 Supervisory Auditors; 2 Auditors

- **Inspector III (\$117,525)** - The current staffing level prohibits the OIG from completing audits of areas and processes identified as high risk by Commission management. Each year the OIG completes risk assessment interviews with Commission management. Management self identifies high risk areas that would benefit from audit. For inclusion in the FY22 Audit Plan, management identified 33 processes (23 business operations and 10 Information Technology processes/applications) that would benefit from audit. Currently staffing only supports the review/audit of 12 identified processes. That represents a fraction (36%) of processes identified by management. The FY22 Audit Plan also includes 9 Commission-wide facility audits (e.g. Community Centers, Maintenance Yards, Golf Courses, Nature Centers, etc.). Again, this is a fraction of facilities that would benefit from audit.
- **Deputy Inspector General (\$159,968)** - The current workforce does not provide opportunity for leadership development and succession planning. Per Government Auditing Standards (§4.04), “The audit organization should have a process for recruitment, hiring, continuous development, assignment, and evaluation of personnel so that the workforce has the essential knowledge, skills, and abilities necessary to conduct the engagement.” Approval of the Deputy Inspector General position will help ensure the OIG benefits from strong and continuous leadership.

Finally, the OIG’s budget includes **\$5,090** of funding for two (2) new initiatives to support CWIT projects. The new initiatives include a learning management system (LMS) and a project to complete the Commission’s Continuity of Operations Plan (COOP).

Thank you for your consideration.



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
6611 Kenilworth Avenue • Riverdale, Maryland 20737

October 7, 2021

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

FROM: Mazen Chilet, Chief Information Officer *Chilet*
Katie Knaupe, Deputy Corporate Budget Director *KVK*

SUBJECT: FY23 Proposed Office of the Chief Information Officer (CIO) Budgets

We are requesting approval of the FY23 Proposed Office of the Chief Information Officer (CIO) operating and project budgets. The three programs are:

1. **Corporate Information Technology (CIT)** – This Administration Fund budget supports the CIT division which provides agency-wide IT infrastructure and governance, protects the agency's data through cybersecurity initiatives, and administers the systems critical to daily operations. The department also administers IT support to Central Administrative Services (CAS).
2. **Office of the CIO (OCIO)** – No major new initiatives are proposed for FY23, only the OCIO share to support the execution of CWIT projects through skilled project management. In FY23, the budgeting of licenses and subscriptions will be transferred from CWIT to this fund. This budget is funded by direct contributions from the departments based on usage allocations of licenses.
3. **Commission-Wide IT Initiatives (CWIT)** – The CWIT Internal Service Fund (ISF) budget is developed in coordination with the Information Technology (IT) Council to properly advance agency-wide programs and systems. Continual evaluation of and updates to these systems are critical to ensure the security of the agency's assets, greater efficiency of systems which enhance employee productivity, and effective continuation of operations for the agency to continue function during times of crisis. This budget is funded through direct contributions from the departments based on usage allocations.

Detailed descriptions for each budget are included in the following pages.

CORPORATE INFORMATION TECHNOLOGY (CIT)

Base Budget Request

The CIT Proposed Base Budget request is \$2,887,631, an increase of 5.1% over the FY22 Adopted Budget. This adjustment is due to:

- **Personnel Services** – Compensation, retirement and benefits costs are projected to increase by 3.7% in FY23.
- **Other Services and Charges** – The main expense in this category is made up of software and hardware maintenance and license and fees which are proposed to increase by 9.0%. This incorporates standard annual and one-time increases for license and subscriptions. Chargebacks have also increased to meet the additional personal services projections and standard license increases.

New Initiatives Request

Corporate IT is requesting a total \$16,500 in new funding to support the following CWIT initiatives:

- \$1,500 for an agency-wide Learning Management System (LMS)
- \$15,000 for the agency-wide Continuity of Operations Plan (COOP) assessment and development

Total Budget Request

The total Proposed Budget Request for FY23 is \$2,904,131, an increase of \$155,729 (or 5.7%) from FY22 Adopted levels. The FY23 Corporate IT allocation is 50% to Montgomery and 50% to Prince George's, which is a 0.4% shift from Prince George's to Montgomery compared to FY22.

CORPORATE IT PRELIMINARY FY23 OPERATING BUDGET REQUEST

	MC Admin Fund	PGC Admin Fund	DEPARTMENT TOTAL	% Change
FY22 Adopted Budget	\$ 1,556,708	\$ 1,191,694	\$ 2,748,402	

FY23 BASE BUDGET INCREASES

Salaries	35,435	20,015	55,450	2.0%
Benefits	24,689	18,716	43,405	1.6%
Other Operating Changes	90,067	47,604	137,671	5.0%
Chargebacks	(30,995)	(66,302)	(97,296)	-3.5%
FY22 One-time Expenses				
Subtotal Increase - Base Budget Request	\$ 119,197	\$ 20,034	\$ 139,230	5.1%

Change to Base Between Counties from Labor Cost Allocation Change

PROPOSED CHANGES

Learning Management System	750	750	1,500	
COOP Automation	7,500	7,500	15,000	
Subtotal Proposed Changes	\$ 8,250	\$ 8,250	\$ 16,500	0.6%
Total Increase FY23 Proposed Budget Request	\$ 1,684,155	\$ 1,219,978	\$ 2,904,132	5.7%

TRANSFER OF LICENSE AND SUBSCRIPTION FEES FROM CWIT TO CIO

Beginning in FY23, licenses and subscriptions previously budgeted in CWIT are proposed to be moved to the CIO budget. License and subscription costs are ongoing and separate from the project costs, which have finite beginnings and endings. This move will provide more distinction between the two types of expenses. The overall proposed change to both budgets is:

	FY22 Adopted	FY23 Proposed	\$ Change	% Change
CIO	1,525,471	5,876,747	4,351,276	285%
CWIT	4,455,916	1,643,266	2,812,650	-63%
Total	5,981,387	7,520,013	1,538,626	26%

OFFICE OF THE CHIEF INFORMATION OFFICER (CIO) INTERNAL SERVICE FUND

Base Operating Budget Request

The CIO Proposed Base Budget request is \$1,696,871, an increase of 11.2% over the FY22 Adopted Budget. The adjustment up is due to:

- **Personnel Services** – Compensation is projected to increase by 9.7% from increased benefit elections and preliminary pension estimates. As an ISF, the salary marker and OPEB are included as well.
- **Other Services and Charges** – The increase in consulting fees is driven by increased need for expert consulting in areas of cybersecurity, digitization, and an overall increase in consulting costs motivated by increased demand for such expertise. The base operating budget for the CIO is anticipated to increase by \$46,619.

New Initiatives Request

The proposed CIO budget includes \$90 in new funding for the CIO's allocated share of the agency-wide Learning Management System (LMS) CWIT initiative.

Total Budget Request

The total Proposed Budget Request for FY23 is \$1,696,961, an increase of \$171,400 (or 11.2%) from FY22 Adopted levels. The FY23 CIO budget allocation is 44.5% to Montgomery and 55.5% to Prince George's, which is a 0.6% shift from Prince George's to Montgomery compared to FY22.

OFFICE OF THE CHIEF INFORMATION OFFICER
PRELIMINARY FY23 OPERATING BUDGET REQUEST

	MC Funding	PGC Funding	DEPARTMENT TOTAL	% Change
FY22 Adopted Budget	\$ 674,188	\$ 851,283	\$ 1,525,471	

FY23 BASE BUDGET INCREASE:

Salaries	25,628	32,361	57,989	
Benefits	29,298	36,994	66,292	
Other Operating Changes	21,250	25,870	47,119	
Chargebacks	-	-	-	
FY22 One-time Expenses	-	-	-	
Subtotal Increase - Base Budget Request	\$ 76,176	\$ 95,224	\$ 171,400	11.2%

Change to Base Between Counties from Labor Cost Allocation Change

PROPOSED CHANGES

CWIT Request - LMS	45	45	90	
Subtotal Proposed Changes	\$ 45	\$ 45	\$ 90	0.0%
Total Increase FY23 Proposed Budget Request	\$ 750,409	\$ 946,552	\$ 1,696,961	11.2%

Base Budget Licenses and Subscriptions

Ongoing licenses and subscriptions total \$4,179,785 and are projected to increase by 28% due to:

- Standard annual 5% increases for most licenses
- 28% increase for the multi-year Microsoft licenses
- 20% increase for new multi-year contracted rates with Infor for ERP

New Requests Licenses and Subscriptions

The CIO is proposing one new license in FY23 totaling \$31,460 for Kronos Advanced Scheduler. This license only impacts the Prince George's Recreation Fund.

COMMISSION-WIDE IT (CWIT) INTERNAL SERVICE FUND

The CIO presented the proposed amounts for both ongoing, new, and financed projects in detail at the most recent IT Council meeting. The Council members approved the following projects after considering the merit of the projects, needs, and cost effectiveness.

Software Licenses and Subscriptions are proposed to move from CWIT to the CIO budget in FY23 and are not reflected in this budget.

The FY23 request to fund ongoing, new, and financed projects is \$1,643,266

Base Continuing Projects Budget Request

The continuing projects proposed total \$360,000 and include:

- **Security Remediation (\$100,000)** –Regular assessments of the agency's security profile by external security experts are essential in ensuring adequate processes are in place to protect our assets. This funding will be used to conduct the assessment and implement any corrective action recommended by the findings.
- **ERP Enhancements (\$200,000)** – The agency is required to comply with various regulations (PII, HIPPA, COBRA, etc.), which are always evolving. These funds will address any changing mandates, critical operational needs, and other updates needed to meet requirements identified by our Departments.
- **Kronos Management (\$60,000)** – Our timekeeping (Timecard) system is the first step in the process of compensating agency employees for their work. System patching and enhancements are critical to meet evolving business needs and regulatory compliance.

Financed Continuing Project Budget Requests

The financed projects proposed total \$833,266 and include:

- **Facility Access Control (\$123,266)** –The process of replacing the Alliance facility access system with Lenel is ongoing. The project began in February 2017 and is scheduled to be completed during FY23.
- **ERP Upgrade (\$760,000)** – Within the next five years, our current version of ERP will no longer be supported by the developer. Additionally, the current version does not have capabilities to meet all regulations or provide the ability for end users to securely access the system remotely. This critical investment has been delayed due to budgetary challenges in prior years, yet this upgrade needs to be completed for the agency to comply with requirements, obtain technical support from the developer, provide safe and secure access to all users, and ensure security of the agency's data. This represents the second year of six for financing a total projected cost of \$4M.

In FY21, Montgomery Planning and Parks put \$316,100 from year-end savings into the ERP Upgrade project.

New Project Budget Requests

The new projects proposed total \$400,000 and include:

- **Learning Management System (LMS) (\$150,000)** – An agency-wide LMS platform will provide a single unified place where all types of training can be offered. The system will efficiently allow standardized training materials to be shared across the Commission, enable employees to be uniformly trained on important subjects like respectful workplace, diversity and inclusion, and fraud, waste, and abuse. The new platform will also improve the internal instructor's and user's training experiences and reduce the high cost for the multiple platforms currently used by different parts of the agency.

- **Continuation of Operations Plan (COOP) (\$250,000)** – In the event of an emergency (such as a power outage or gas leak) it is important to have a plan in place to protect personnel, property, and records; continue management functions; and immediately restore critical/ essential functions. Planning to adequately address manageable emergencies is a priority for the agency. Funds will be used to bring in an external consultant to assess our current COOP and provide recommendations for a comprehensive and robust plan.

The proposed budgetary impact of these projects for each department is:

FY23 CWIT New Projects Funding Needs - Montgomery

	LMS	COOP	Total
Planning	8,925	20,000	28,925
Parks	49,890	27,500	77,390
CAS	5,535	63,750	69,285
Total:	64,350	111,250	175,600

FY23 CWIT New Projects Funding Needs - Prince George's

	LMS	COOP	Total
Planning	8,925	20,000	28,925
Parks	28,095	27,500	55,595
Recreation	43,095	27,500	70,595
CAS	5,535	63,750	69,285
Total:	85,650	138,750	224,400