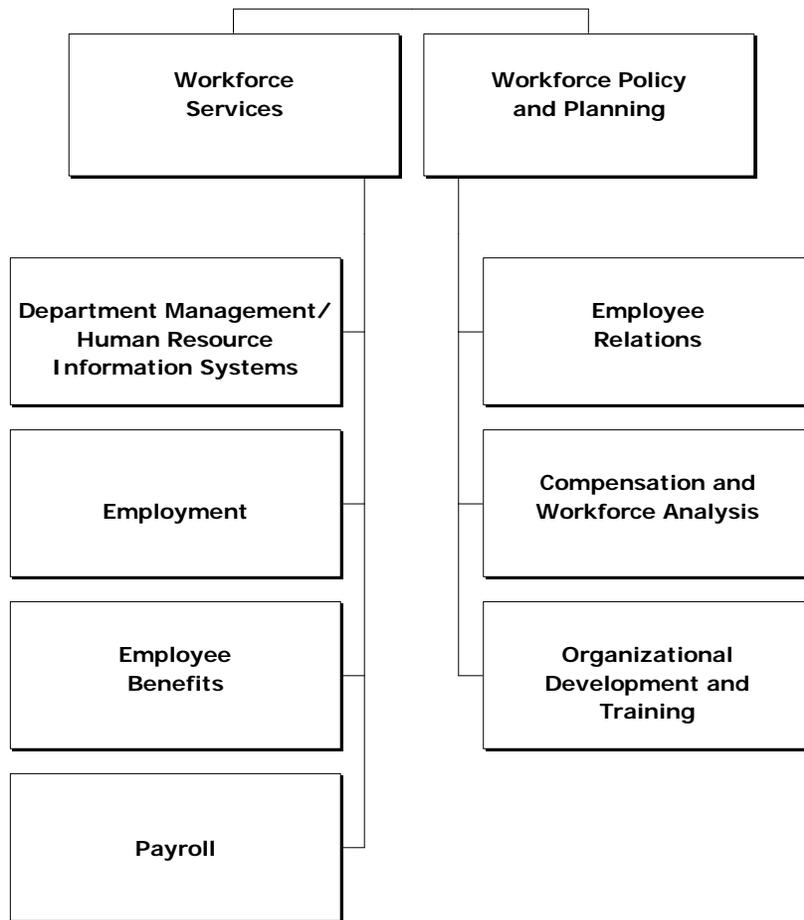


Department of Human Resources



Mission

Work in partnership with and in support of the department's diverse customer base. Demonstrate excellence and leadership by providing proactive, innovative and efficient human resources solutions to ensure a high performance workforce.

AGENCY DASHBOARD			
Key Data	FY 2011	FY 2012	FY 2013
1. Number of Resumes Reviewed per Employment Analyst	19,988	21,201	22,821
2. Average Centralized Training Expenditure per Employee	\$80.34	\$108.47	\$67.56
3. Largest Number of Active Employees on the Payroll	14,462	14,673	13,118
4. Total Number of Management and Leadership Training Courses and Development Programs Offered Centrally	116	194	175
5. Fringe Benefits as a Percentage of Total Salaries	35.0%	38.1%	38.3%
6. Number of Merit Staff Eligible to Retire	<u>12/31/2013</u> 2,211	<u>12/31/2014</u> 2,249	<u>12/31/2015</u> 2,601

Department of Human Resources

Focus

The Department of Human Resources (DHR) operates in conjunction with its strategic partners, customers, and stakeholders to support comprehensive talent management and optimal employment relationships. This value-add is achieved by developing, managing, and supporting initiatives to attract, retain, and develop qualified employees to support the vision, goals, and objectives of the Fairfax County Government. DHR operates in a team-based structure with service areas of expertise to ensure focus and commitment, including Department Management, Information Systems, HR Central (customer support), Employment, Benefits, Payroll, Employee Relations, Compensation and Workforce Analysis, and Organizational Development and Training. Collectively, initiatives and functions support and sustain a productive, accountable, and engaged workforce, and a positive and equitable work environment.

The department leverages technology to optimize delivery of human resources services countywide. Following the highly successful implementation of the Human Capital Management (HCM) module of FOCUS, the County's enterprise resource planning system that replaced multiple legacy systems in July 2012, DHR has continued to refine processes to leverage the system and help users manage data and tools. Human capital enhancements include streamlined paperless time and attendance reporting, modernized data delivery systems, elimination of duplicate data entry, and improved processing accuracy, transparency, and security. With FOCUS, the County has enhanced decision-making capabilities, enriched reporting functionality, and boosted system flexibility to allow the system to evolve with changing business needs. Concurrent with the FOCUS rollout, human resources business processes were streamlined and standardized to further enhance service delivery and policy compliance. Recognizing the need for better reporting, DHR provided an innovative solution for its customers by creating a vast array of management reports in PEAQ (Point and Click Enterprise Ad-Hoc Query). This reporting tool enables departments to easily create the management reports needed in an expeditious and cost-effective manner.

The department began to implement the suite of Talent Management modules in FY 2014. The Talent Management modules include Applicant Management, Onboarding, Performance Management, Employee Management and Learning Management. These integrated modules will maximize operational efficiencies by consolidating independent talent management business processes, streamline work functions by increasing self service capabilities, eliminate the antiquated work-around systems used to provide functionality, increase capabilities for real-time data analysis and provide greater flexibility in transparency and reporting capabilities.

Significant changes were made to benefits programs affecting both claims administration and benefit design. All self-insured medical plans were consolidated under one vendor. This change, while establishing one platform for more robust managed care and claims management, provided one repository from which a wellness incentive plan could be introduced and managed. The wellness incentive plan will allow participants to earn points by completing wellness-based activities and exams. These will include annual physicals, routine exams and screenings, as well as LiveWell-sponsored activities throughout the year. Points earned, up to a maximum of 200, will be converted into dollars and deposited into a tax deferred account for use in plan year 2015. Additionally, plan design features required by the Affordable Care Act (ACA) were added that targeted the limiting of participants' financial exposure. Out-of-pocket (OOP) maximums are now a required component of all self-insured plans, and deductibles, formerly a participant cost in addition to the OOP maximum, are now subject to it. Improvements were also made to the drug, vision and dental plans that will benefit employees and retirees.

Department of Human Resources

Future Challenges

Department management monitors human resources legal trends and industry best practices that impact the County and its workforce. This environmental scanning fuels development of effective strategies and tactics, and gives rise to productive change that strengthens and leverages the County's high performance workforce. During FY 2014 and FY 2015, the department will complete a restructure to align staff with FOCUS emphasis areas. The reorganization will contribute to streamlining transactional duties, enhancing timeliness of service delivery, identifying cost reduction opportunities, leveraging the new talent management model, and promoting seamless service delivery.

Key challenges in FY 2015 and beyond include:

- **Health Care Management:** The Affordable Care Act (ACA) continues to provide challenges with the most noteworthy being the 40 percent excise tax slated to take effect in 2018. The strategies to avoid this tax will include plan design changes, increasing participant awareness of medical costs, continued implementation of features that impact utilization and a strong focus on wellness initiatives to help employees develop and maintain healthier behaviors.

- **FOCUS Enhancements and Talent Management:** Developing and implementing post-stabilization system upgrades and enhancements will continue throughout FY 2015 and into FY 2016. Such changes refine the core system and expand capability and performance. Additionally, the suite of Talent Management modules will be implemented, which will add online recruiting, selection, and employee onboarding capabilities. The Talent Management module will enable the department to become more responsive, strategic and customer centric. These initiatives are a collaborative effort between DHR staff and the FOCUS Business Support Group in the Department of Management and Budget.

The Department of Human Resources supports the following County Vision Elements:

-  **Connecting People and Places**
-  **Practicing Environmental Stewardship**
-  **Exercising Corporate Stewardship**

- In FY 2015, significant DHR staff resources will be committed to implementing an enhanced succession planning and management program, the updated performance management system, and changes to the compensation structure resulting from the Workforce Dialogue initiative. These efforts will support leadership bench strength, promote a stable and sustainable talent base, and accelerate leadership readiness. With the January 2014 implementation of the revised evaluation system, DHR staff will work with departments to support the coaching and development skills needed for the program's success.

The department will continue to leverage productivity by collaborating with senior management, agency human resource staff, and an array of employee representation groups to achieve mutual goals and objectives, strengthen the County's culture of inclusion, and ensure that employees feel valued. This approach is grounded in transparent personnel regulations and is supported by a consultative business model. This approach enables DHR to better support the unique requirements of individual departments in an increasingly complex environment. This outward engagement also ensures the department's strategic and tactical work remains customer-focused and practical.

Department of Human Resources

Budget and Staff Resources

Category	FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised	FY 2015 Adopted
FUNDING					
Expenditures:					
Personnel Services	\$6,586,997	\$5,865,997	\$5,930,597	\$5,941,667	\$6,000,326
Operating Expenses	973,038	1,324,028	1,637,690	1,330,528	1,324,028
Capital Equipment	0	0	0	0	0
Total Expenditures	\$7,560,035	\$7,190,025	\$7,568,287	\$7,272,195	\$7,324,354
Income:					
Professional Dues Deduction	\$41,231	\$41,240	\$41,240	\$42,026	\$42,026
Total Income	\$41,231	\$41,240	\$41,240	\$42,026	\$42,026
NET COST TO THE COUNTY	\$7,518,804	\$7,148,785	\$7,527,047	\$7,230,169	\$7,282,328
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	85 / 85	76 / 76	76 / 76	76 / 76	76 / 76

FY 2015 Funding Adjustments

The following funding adjustments from the FY 2014 Adopted Budget Plan are necessary to support the FY 2015 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on April 29, 2014.

- ◆ **Employee Compensation** **\$134,329**
An increase of \$134,329 in Personnel Services includes \$75,670 for a 1.29 percent market rate adjustment (MRA) for all employees and \$58,659 for a 1.00 percent salary increase for non-uniformed employees, both effective July 2014.

Changes to FY 2014 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2014 Revised Budget Plan since passage of the FY 2014 Adopted Budget Plan. Included are all adjustments made as part of the FY 2013 Carryover Review, FY 2014 Third Quarter Review, and all other approved changes through April 30, 2014.

- ◆ **Carryover Adjustments** **\$378,262**
As part of the FY 2013 Carryover Review, the Board of Supervisors approved funding of \$378,262, including \$64,600 in Personnel Services for a one-time compensation adjustment of \$850 for merit employees paid in November 2013, \$63,662 in encumbered funding in Operating Expenses, and \$250,000 to support a complete market study of all County benchmark classes and to assist in reviewing current pay structure and job class alignment.

Department of Human Resources

Cost Centers

There are two cost centers for the Department of Human Resources, Workforce Services and Workforce Policy and Planning. These two cost centers work together to fulfill the mission of the department and carry out the key initiatives for the fiscal year.

Workforce Services

The Workforce Services cost center includes department management and management of the department's information systems, as well as divisions that support the recruitment of the County workforce, management of benefit programs, and payroll processing and accounting.

Category	FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised	FY 2015 Adopted																																																															
EXPENDITURES																																																																				
Total Expenditures	\$5,486,992	\$5,106,641	\$5,209,187	\$5,163,059	\$5,195,255																																																															
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)																																																																				
Regular	60 / 60	54 / 54	52 / 52	53 / 53	52 / 52																																																															
<table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Department</u></th> <th style="text-align: left;"><u>Employment Division</u></th> <th style="text-align: left;"><u>Payroll Division</u></th> </tr> </thead> <tbody> <tr> <td><u>Management/HRIS</u></td> <td></td> <td></td> </tr> <tr> <td>1 Human Resources Director</td> <td>1 Human Resource Analyst IV</td> <td>1 Human Resource Analyst IV</td> </tr> <tr> <td>1 Asst. Human Resources Dir.</td> <td>5 Human Resource Analysts III</td> <td>1 Senior HR Consultant</td> </tr> <tr> <td>1 Info. Tech Program Manager I</td> <td>1 Management Analyst III</td> <td>1 Accountant III</td> </tr> <tr> <td>1 Senior HR Consultant</td> <td>4 Human Resource Analysts II</td> <td>1 Human Resource Analyst III</td> </tr> <tr> <td>1 Programmer Analyst III</td> <td>1 Communications Specialist II</td> <td>1 Management Analyst III</td> </tr> <tr> <td>1 Business Analyst III</td> <td>1 Administrative Assistant IV</td> <td>1 Human Resource Analyst II</td> </tr> <tr> <td>1 Human Resource Analyst III</td> <td></td> <td>5 Human Resource Analysts I</td> </tr> <tr> <td>1 Network/Telecom. Analyst II</td> <td><u>Employee Benefits Division</u></td> <td>1 Administrative Assistant V</td> </tr> <tr> <td>1 Communications Specialist II</td> <td>1 Human Resource Analyst IV</td> <td>1 Administrative Assistant IV</td> </tr> <tr> <td>1 Administrative Assistant IV</td> <td>1 Senior HR Consultant</td> <td>2 Administrative Assistants III</td> </tr> <tr> <td></td> <td>1 Business Analyst III</td> <td></td> </tr> <tr> <td></td> <td>1 Human Resource Analyst III</td> <td></td> </tr> <tr> <td></td> <td>1 Human Resource Analyst II</td> <td></td> </tr> <tr> <td></td> <td>2 Management Analysts II</td> <td></td> </tr> <tr> <td></td> <td>1 Human Resource Analyst I</td> <td></td> </tr> <tr> <td></td> <td>1 Administrative Associate</td> <td></td> </tr> <tr> <td></td> <td>3 Administrative Assistants V</td> <td></td> </tr> <tr> <td></td> <td>1 Administrative Assistant IV</td> <td></td> </tr> <tr> <td></td> <td>1 Administrative Assistant III</td> <td></td> </tr> </tbody> </table>						<u>Department</u>	<u>Employment Division</u>	<u>Payroll Division</u>	<u>Management/HRIS</u>			1 Human Resources Director	1 Human Resource Analyst IV	1 Human Resource Analyst IV	1 Asst. Human Resources Dir.	5 Human Resource Analysts III	1 Senior HR Consultant	1 Info. Tech Program Manager I	1 Management Analyst III	1 Accountant III	1 Senior HR Consultant	4 Human Resource Analysts II	1 Human Resource Analyst III	1 Programmer Analyst III	1 Communications Specialist II	1 Management Analyst III	1 Business Analyst III	1 Administrative Assistant IV	1 Human Resource Analyst II	1 Human Resource Analyst III		5 Human Resource Analysts I	1 Network/Telecom. Analyst II	<u>Employee Benefits Division</u>	1 Administrative Assistant V	1 Communications Specialist II	1 Human Resource Analyst IV	1 Administrative Assistant IV	1 Administrative Assistant IV	1 Senior HR Consultant	2 Administrative Assistants III		1 Business Analyst III			1 Human Resource Analyst III			1 Human Resource Analyst II			2 Management Analysts II			1 Human Resource Analyst I			1 Administrative Associate			3 Administrative Assistants V			1 Administrative Assistant IV			1 Administrative Assistant III	
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52 Positions / 52.0 FTE																																																																				

Department of Human Resources

Workforce Policy & Planning

The Workforce Policy and Planning cost center includes divisions that facilitate individual and organizational change and development initiatives, and provide consultation services to County agencies on workforce planning and compensation matters.

Category	FY 2013 Actual	FY 2014 Adopted	FY 2014 Revised	FY 2015 Advertised	FY 2015 Adopted
EXPENDITURES					
Total Expenditures	\$2,073,043	\$2,083,384	\$2,359,100	\$2,109,136	\$2,129,099

AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	25 / 25	22 / 22	24 / 24	23 / 23	24 / 24

<u>Organizational Development and Training</u>	<u>Compensation and Workforce Analysis</u>
1 Management Analyst IV	1 Human Resource Analyst IV
1 Senior HR Consultant	1 Senior HR Consultant
2 Business Analysts III	5 Human Resource Analysts III
4 Training Specialists III	1 Human Resource Analyst II
3 Business Analysts II	1 Human Resource Analyst I
2 Training Specialists I	1 Administrative Assistant V
1 Administrative Assistant V	
TOTAL POSITIONS	
24 Positions / 24.0 FTE	

Key Performance Measures

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate/Actual	FY 2014	FY 2015
Department of Human Resources					
Percent of employees who complete their probationary period	88.54%	89.85%	80.00%/85.00%	80.00%	80.00%
Average gap between Fairfax County's pay range mid-points and comparable range mid-points in the market for core classes	NA	15%	5%/5%	5%	5%
Employee satisfaction with the variety and quality of benefit programs offered	NA	NA	91%/NA	91%	91%
Percent of employees that indicated DHR-sponsored training was beneficial in performing their jobs	96%	96%	96%/95%	96%	96%

A complete list of performance measures can be viewed at www.fairfaxcounty.gov/dmb/fy2015/adopted/pm/11.pdf

Department of Human Resources

Performance Measurement Results

As the Department of Human Resources reflects on achievements in FY 2013 and preliminary performance indicators for FY 2014, there were notable successes given the staffing emphasis on successfully implementing the second phase of the FOCUS legacy system replacement project. As the department looks ahead to challenges in FY 2015 and beyond, staff will be further tested to meet the expectations of a sophisticated and diverse workforce, balance heightened service delivery demands alongside execution of strategic initiatives, and support implementation of the next phase of the rollout of FOCUS Human Capital Management components.

In FY 2013, the percent of employees who completed their probationary period decreased from 89.85 to 85.00 percent. There have been several staff initiatives, including increases in the number of targeted recruitment efforts with profession-specific media, increased job fair attendance, and enhanced outreach recruitment by County agencies. The efficiency indicator of resumes reviewed per recruitment analyst is anticipated to remain high throughout FY 2014, with metrics returning to FY 2010 levels at the conclusion of the Talent Management phase of the FOCUS project.

Annual surveys from local area governments and other sources provide guidance that the County continues to maintain a competitive market position. During FY 2014, compensation and classification staff benchmarked all County job classifications and continued to support FOCUS data and workflow transition work.

While the department continues to work to maintain employee satisfaction in the variety and quality of benefit programs, annual customer satisfaction surveys have not been completed in several years due to budget and staffing constraints linked to the FOCUS project.

In FY 2013, 95 percent of training attendees indicated that DHR-sponsored training was beneficial in performing their jobs. This percentage is anticipated to remain constant for FY 2014 as DHR continues to support training and development initiatives associated with the County competency-based model and provide ongoing corporate systems training in support of FOCUS.