Department of Budget and Management

Process Definitions
And
Future State Visions

Contents

Document Information

A. Definitions/Abbreviations/Acronyms

Acronym/Term	Meaning
ASM	Application Systems Management
ASR	Annual Salary Review (submitted as part of the upcoming budget)
BAS	Benefits Administration System
Benefit Year	July 1 – June 30
CAS	Classification and Salary
COLA	Cost of Living Adjustment
Concentra	Designated as the State Medical Director
CCU	Central Collections Unit
COBRA	Consolidated Omnibus Reconciliation Act
CPB	Central Payroll Bureau
Current Benefits Vendors	- Health: – Carefirst BC/BS (PPO, POS, EPO) – United Health Care (PPO, POS, EPO) – Kaiser Permanente (HMO) – through 6/30/09 – AETNA (POS, EPO) – as of 7/1/09 - Mental Health: APS (PPO, POS) - Prescription Drugs: Catalyst - Dental: – United Concordia Dental (DPOS, DHMO) – United Health Care (DHMO) - FSA: SHPS - PAD/Life Insurance: MetLife - Consultant: GRS - Contract Auditor: HDM
DBM	Department of Budget & Management
DFA	Division of Finance and Administration
Direct Retiree	Former employee who goes directly from being an active employee to being a retiree
DLS	Division of Legislative Services (Legislative counterpart of OBA)
EAP	Employee Assistance Program
EBD	Employee Benefits Division
EEO	Equal Employment Opportunity
EPP	Executive Pay Plan
ERD	Employee Relations Division
ETR	Exception Time Report
FSA	Flexible Spending Account
FTE	Full-Time Equivalent
HFE	Hiring Freeze Exception
HOBO	Hands on Budget Office (State Budget System)

Acronym/Term	Meaning
HRIS	Human Resource Information System
IVR	Interactive Voice Response
IWIF	Insured Workers' Insurance Fund
LAW	Leave of Absence
MAIF	Maryland Automobile Insurance Fund
MDOT	Maryland Department of Transportation
MDTA	Maryland Transportation Authority
MEF	Maryland Enterprise Fund
Medical Disability Advisor Database	Identifies the estimated number of days needed to recover for a particular diagnosis. Used as a basis for reality check against the employee's doctor's recommendation.
MS106	Form by which an Agency reports to DBM when an employee has voluntarily or involuntarily separated from a position with an unsatisfactory employment record.
Negative Checks	These occur when the net amount (without benefit deductions) of the retiree's check is less than the total amount of the retiree's benefit deductions, even though the employee is not actively working – e.g., an employee is on leave of absence/On the Job injury or they are on FMLA. EBD tracks neither the granting of this payment nor the payment itself in any system
Negative Dilute	The specific gravity & creatinine concentration levels do not fall within specified ranges
New Classification	New function or an existing function that is now performing different work
OBA	DBM Office of Budget and Analysis
OPSB	Office of Personnel Services and Benefits
OSEEOC	Office of the State Equal Employment Opportunity Coordinator
PC	Position Control
PDR	Process Definition and Requirements
PIN	Position Identification Number
PPA	Pay Plan Adjustments (submitted outside of the budget process)
PSD	Personnel Services Division
PTU	Personnel Transactions Unit
RED	Recruitment and Examination Division
Salary Adjustments	Made when salary is below the market level or there is a recruitment or retention problem
SHPS	SHPS, Inc. which is the State's FSA TPA
SPMS	State Personnel Management System
Subsidy	State's portion of the total benefits premium
UCS	Universal Counseling Services
USDOT	U.S. Department of Transportation
Workability Study	Comprehensive examination/review of the employee's ability to perform their position

Benefits Administration

A. Current State Processes

As part of all enrollment processes, when a member adds a dependent, the State requires the member to submit documentation that shows that the dependent is also eligible. Typically, the member merely attaches the documentation to the paper enrollment form. During open enrollment, when the member enrolls using the IVR, that is not possible. So, EBD first sends a list of members and their dependents and the Agencies follow up on gathering the documentation (and forwarding it to EBD). For retirees and direct pay members, EBD sends the first request directly to the member. After that, EBD directly sends a second request to those members who have dependents for which they do not have documentation. If EBD still does not get suitable documentation from the member, they cancel the dependent's coverage.

1. Active Agency Employee Benefits Maintenance

The State of Maryland provides health and welfare benefits to its active employees. For this discussion, these include medical, prescription drug, dental, term life insurance, accidental death and dismemberment, long term care and flexible spending accounts. All employees pay for their benefits through biweekly deductions from their pay checks. The EBD – Actives group processes all paperwork to initially enroll and change enrollments for its active employees.

2. Retiree Benefits Maintenance

The State of Maryland allows retirees from State service (and their beneficiaries) to continue their benefits coverage under the State's benefits program. Most retirees pay for their benefits through deductions from their retirement checks. However, the retirement checks of many retirees do not cover all of their benefits premiums; therefore, they must pay for some of their benefits premiums by personal check and coupon (i.e., Direct Pay). EBD refers to this group of retirees as Special Retirees. There are approximately 1,000 special retirees getting benefits. The EBD – Direct Pay group handles all billing functions for Special Retirees.

When Retirees first elect benefits under retirement, EDB bills them for the remainder of the benefit year. Once they begin their second enrollment year while retired, EBD bills Special Retirees for the entire year in July; that is, EBD sends them 12 monthly payment coupons.

For the most part, benefits maintenance for retirees is the same as benefits maintenance on active employees. However, the amount a Retiree pays for benefits by Direct Pay may change during the year if the net amount of their retirement checks or their benefit enrollments changes. EBD – Direct Pay gets the Negative Check report the last week of the month for which payments were due. The group's manager reviews the report looking for changes (e.g., changes in amounts owed due to changes in retirement check amounts) from the prior month. If she finds changes, she updates BAS and sends the retiree a new set of payment coupons covering the rest of the benefit year. The retirees' payment process is the same as the process outlined in Benefits Direct Payment – Non-Retirees.

3. Active Satellite Employee Benefits Maintenance

This process discusses the enrollment into benefits "satellite agency" employees. A satellite agency (of which there are slightly more than 50) is an employer that purchases its employee benefits from the State. Generally, these agencies are small towns or non-profit associations within Maryland. In some cases, they are quasi-governmental or were State agencies/departments. In all cases, satellite agency employees are neither on the State's payroll nor are they paid by the State's CPB.

In purchasing their benefits, typically health, dental, prescription, flexible spending, the satellite agencies pay the State's COBRA premium for each of their covered employee's plus an administrative fee. The satellite agency charges its employees whatever it deems it needs to charge. The State does not collect money (premiums) from or send bills for premiums to satellite agency employees. This is a function left up to each satellite agency.

Each month, EBD – Satellite Agencies bills each satellite agency for their employees covered under the State's benefits. As the need arises, they work with the satellite agencies to resolve questions and discrepancies on the bills. Another satellite agency-related task performed by this group involves sending a list of the satellite agency employees with FSA's (e.g., agency, employee name, biweekly contribution) to the State's FSA administrator – SHPS. Also, this group maintains the Agency Benefit Coordinator list.

4. Open Enrollment - Active Employees

Open enrollment is an annual process whereby employees and retirees may freely enroll in new benefits programs for which they are eligible or change their benefits plans to any plans for which they are eligible. This may be done for medical, dental, prescription drug, term life insurance, accidental death and dismemberment and long term care insurance plans as well as for flexible spending accounts.   Changes made during open enrollment are effective for the coming benefit plan year which runs from July 1 to June 30.

While the planning for open enrollment begins in December, open enrollment processing begins in early April with ASM group updating BAS with next plan year's enrollment records. EBD works with one contractor to update the IVR system and with another contractor to mail the open enrollment materials to all State workers eligible to participate in these benefit programs. Employees currently enrolled in some benefits plans must use the IVR to make their benefits changes and new enrollments. Employees not currently participating in any benefits plans must submit their enrollments on paper forms.

The rest of the open enrollment process includes reviewing and entering the enrollments made through paper forms, updating BAS with the changes, printing and distributing Summary Statements and reports, notifying the vendors of the enrollment changes, and updating Payroll with the new enrollments and deduction amounts.

5. Open Enrollment - Retirees

Open enrollment is an annual process whereby employees and retirees (and their beneficiaries) may freely enroll in new benefits programs for which they are eligible or change their benefits plans to any

plans for which they are eligible. They may enroll in medical, dental, prescription drug, term life insurance, accidental death and dismemberment and long term care insurance plans as well as for flexible spending accounts.   Changes made during open enrollment are effective for the coming benefit plan-year, which runs from July 1 to June 30.

While the planning for open enrollment begins in December, open enrollment processing begins in early April with ASM group updating BAS with next plan year's enrollment records. EBD works with one contractor to update the IVR system and with another contractor to mail the open enrollment materials to all State workers eligible to participate in these benefit programs. Employees currently enrolled in some benefits plans must use the IVR to make their benefits changes and new enrollments. Employees not currently participating in any benefits plans must submit their enrollments on paper forms.

The rest of the open enrollment process includes reviewing and entering the enrollments made through paper forms, updating BAS with the changes, printing and distributing Summary Statements and reports, notifying the vendors of the enrollment changes, and updating Payroll and Retirement with the new enrollments and deduction amounts.

6. Open Enrollment – Direct Pay Employees and Retirees

Open enrollment is an annual process whereby employees and retirees may freely enroll in benefits programs for which they are eligible or change their benefits plans to any plans for which they are eligible. This may be done for medical, dental, prescription drug, term life insurance, accidental death and dismemberment and long term care insurance plans as well as for flexible spending accounts.   Changes made during open enrollment are effective for the coming benefit plan year which runs from July 1 to June 30.

While the planning for open enrollment begins in December, open enrollment processing begins in early April with ASM group updating BAS with next plan year's enrollment records. EBD works with one contractor to update the IVR system and with another contractor to mail the open enrollment materials to all State participants eligible to participate in these benefit programs. Employees currently enrolled in some benefits plans must use the IVR to make their benefits changes and new enrollments. Employees not currently participating in any benefits plans must submit their enrollments on paper forms.

The most significant difference among the three open enrollment processes is that at the end of the open enrollment period, once BAS is updated with all open enrollment transactions, the EBD – Direct Pay Unit runs a mass print of and mails the direct pay letters & coupons to the affected employees. The rest of the open enrollment process includes reviewing and entering the enrollments made through paper forms, updating BAS with the changes, printing and distributing Summary Statements and reports, notifying the vendors of the enrollment changes, and updating Payroll with the new enrollments and deduction amounts.

7. Direct Pay – Active Employees

The State of Maryland has a group of active employees that must pay for some of their benefits premiums by a retroactive adjustment or a "no pay" invoice. An employee becomes an Active – No Pay when their pay check does not cover the premiums for any or all of their elected benefits. This situation

may arise if an employee goes out on an unpaid leave of absence (e.g., FMLA) or has a court-ordered garnishment. The number of Active – No Pay employees varies each pay period.

EBD – Direct Pay gets the Deduction No Pay report every other Wednesday (on Pay Day) along with the No Pay letters and payment coupons. The amount these employees pay is only their portion of the total biweekly premium which they must pay through a retroactive adjustment.

8. Direct Pay – Special Retirees

The State of Maryland allows retirees from State service to continue their benefits coverage under the State's benefits program. Most retirees pay for their benefits through deductions from their retirement checks. However, the retirement checks of some retirees do not cover all of their benefits premiums; therefore, they must pay for some of their benefits premiums through payment coupon. To EBD, this group of retirees is known as Special Retirees. There are approximately 1,000 special retirees getting benefits. The EBD – Direct Pay group handles all billing functions for Special Retirees.

When Special Retirees first elect benefits under retirement and we determine that their retirement check does not cover all of their deductions, we bill them for the remainder of the benefit year. Once they begin their second enrollment year while retired, Special Retirees are billed for the entire year in July; that is, they are sent 12 monthly payment coupons.

The amount a Special Retiree pays for benefits by Direct Pay may change during the year if the net amount of their retirement checks changes. EBD – Direct Pay gets the Minus Check report the last week of the month for which payments were due. The Direct Pay group reviews the report looking for changes (e.g., changes in amounts owed due to changes in retirement check amounts) from the prior month. If they find changes, they update BAS and send the retiree a new set of payment coupons covering the rest of the benefit year. The retirees' payment process is the same as the process outlined in Benefits Direct Payment – COBRA, Military, LAW, Contractual/Part-Time.

9. Direct Pay – COBRA, Military, LAW and Contractual/Part-Time Employees

Within the State of Maryland work force, some workers are on COBRA, some are on Military leave, some are on leave without pay, and others are contractual or part-time. This collection of workers must pay for their benefits premiums by payment coupon through the State's Lock Box (i.e., Direct Pay). To EBD, this group of active employees is known as Direct Pay – COBRA, Military, LAW or Contractual/PT. An employee becomes a Direct Pay person when they first fall into one of these groups as they are no longer receiving a State pay check. There are approximately seven thousand Direct Pay people getting benefits. The EBD – Direct Pay group handles all billing functions for this group.

With few exceptions (e.g., why and how a person becomes a Direct Pay, how long they can continue receiving benefits), the processes for handling their benefits enrollments and premium payments are the same. EBD – Direct Pay gets the person's enrollment forms and keys them into BAS. Then, they send the person Payment Coupons and a cover letter. The person then pays their premiums by sending their payment coupon and payment to the State's lock box. EBD – Direct Pay and EBD – Fiscal reconcile the payments, validate the deposits into the State's bank account, and pay the vendors.

10. Employee Transfer Processing

This process discusses the activities that occur when an employee transfers from one Agency to another, regarding the employee's benefits enrollments. To minimize the chance of canceling a transferring employee's benefits, this has become a very manual process. The need for manual processing is due to current systems' constraints and minimal cooperation among the agencies when an employee transfers.

In addition to keying the "transfer out" transaction into the MS310 system, the Agency losing the employee completes and submits a Notice of Transfer to EBD. If CPB were to effect this "transfer out" transaction in the Payroll system without receiving and processing a "transfer in" transaction, the Payroll system would cancel the employee's deductions and send an update transaction to BAS effectively canceling the employee's benefits enrollments. Therefore, CPB holds the "transfer out" transaction until they receive and can process a matching "transfer in" transaction. This way, the employee's benefits continue in force.

After CPB processes the "transfer in" transaction, Benefits is able to and does update BAS with the employee's new Agency information. Then CPB, having waited two pay periods, processes the "transfer out" transaction and the BAS, CPB, and MS310 systems are again synchronized.

B. Future State Vision

1. Process Improvement Recommendations

We have identified several requirements for this process that will help increase the effectiveness and efficiency of the Employee Benefits Division and improve the members' experience. These requirements are:

- Billing and Accounts Receivable
- Checklists and Reminders
- Deduction Cost Estimates
- Eliminating Benefits Enrollment Changes by Payroll
- Employee Transfer Processing
- Employee/Manager Self Service and Online Forms
- Open Enrollment Processing
- Retroactive Deduction Processing
- Workflow Routing, Approvals, Tracking and Notifications

Billing and Accounts Receivable functionality is a mandatory requirement. A primary function of the Direct Pay and Satellite Agency groups is to identify and bill State employees and retirees whose pay/retirement check does not completely cover their benefits premiums and Satellite Agencies for their employees covered under the State's benefits plans. Therefore, the new system must be able to electronically receive and post premium arrears information from the Central Payroll Bureau and the State Retirement Agency. Using this information and other system information (e.g., leave status – out on FMLA), the system must then calculate, generate and disseminate bills to these people and the Satellite Agencies. Upon receipt of payment, EBD must also be able to record the payments made. If the system

allowed for people to electronically pay through the system, then it would record the payment and reduce the amount the person owed and interact with EBD – Fiscal's needs for reporting to the vendors.

Checklists and Reminders are also mandatory requirements. Many of the process steps require the Benefits staff to either follow up on a previous step (e.g., they send back forms for more information) or once a process is begun, Benefits must perform some other prescribed steps (e.g., to add dependents under a qualifying event – marriage – Benefits must receive a copy of the marriage license). The new system can facilitate much of this by providing checklist and reminder functionality. Typically, checklists are predefined groups of tasks that someone must complete. For example, a new retiree must complete and submit all new benefits forms. We can create a new retiree checklist that includes all benefits forms and as the employee completes and submits the forms, the system marks them as complete. Benefits can then query the checklists to see what outstanding forms or actions they need to perform. Similarly, reminders are system generated alerts that notify someone that they need to take some action. For example, Benefits can use reminders to alert COBRA members that they are late with benefit premium payments and are at risk of losing that benefit.

Deduction Cost Estimations is a nice to have requirement. This requirement is a modeling tool that would provide eligible members the ability to select a group of benefits and see the actual cost they would incur based on their years of service and other eligibility criteria.

Eliminating Benefits Enrollments Changes by Payroll is a further consideration for the future state. Today Payroll updates the benefits system when they terminate an employee from their system. In the future, we may want to change benefits enrollments when we key personnel transactions. For example, keying an employee's termination transaction terminates their benefits according to the State's rules based on the effective date of the termination.

Employee Transfer Processing is a mandatory requirement. We want to use a single personnel transaction to move an employee between Agencies. Either the receiving or releasing can begin the transfer process. However, the other Agency must complete their portion of the transfer transaction. Only after both Agencies complete the transaction (or DBM Staffing intervenes to approve the transaction) will the transaction go to Payroll for processing. This eliminates the problem of Payroll "terminating" the employee in their old Agency and thereby terminating their benefits. This will also eliminate the problem of Payroll "employing" the employee in their new Agency and thereby having them active in two Agencies simultaneously.

Employee/Manager Self Service and Online Forms are absolutely mandatory for EBD. Today, the entire process with the exception of the IVR used for open enrollment is manual and driven by paper forms. A significant task performed to support benefits processing is the tracking of paperwork received in several spreadsheets; done primarily so Benefits can respond to calls from employees and retirees. Similarly, for every enrollment that Benefits processes, they generate and distribute notifications to the employees/retirees. If the system generates and electronically disseminates these notifications, Benefits can eliminate this labor and time intensive task and the members will receive their information more quickly. By implementing self service and using online forms, Benefits will immediately reduce the amount of paper it collects and needs to store, provide employees and retirees with the ability to review the status of their submitted paperwork, and reduce, if not eliminate, the data entry performed by the Benefits staff.

Open Enrollment Processing is a mandatory requirement. One of the problems associated with the current open enrollment process is the use of the IVR. Its deficiencies include that it is very cumbersome and error prone when adding dependents and many employees have difficulty with staying focused through the entire selection tree. Therefore, the new system should provide open enrollment processing that includes online forms submission, workflow and automated approvals, and does not require the employee to take "positive action" to continue their benefits in the new benefit year (which is also the current practice). This too will result in reduced amounts of paperwork, providing employees and retirees with the ability to review the status of their submitted paperwork, reducing, if not eliminating, the data entry performed by the Benefits staff, and shortening the time to effect open enrollment changes in the system.

Retroactive Deduction Processing, a mandatory requirement, concerns itself with automatically calculating the money an employee owes to the State when EBD keys a benefits enrollment or change after the effective date of coverage. We want the system to calculate the amount the employee owes based on the benefits coverage effective date and the date we keyed the information. There may be multiple deductions during this period and the system must also annotate itself with this information. The results of this calculation must update either Payroll to take this deduction or to feed a benefits billing system that can invoice the employee with the back premiums owed.

Workflow Routing, Approvals, Tracking and Notifications is also mandatory for EBD. While Benefits, does very well with tracking and moving paperwork through its work groups, this process can become much more efficient if the system moves the forms through the organization. In most cases, when an employee or retiree submits a benefits form, all the Benefits group does is review the form for errors and then enters it into the system. In the new system, when the employee/retiree enters the form online, the Benefits staff can review the submission online and then approve it (with or without changes). If necessary, they can send the form back to the employee for more information; however, we can even eliminate much of this with online edits. All along the workflow, as staff or the system approves and processes the transaction or generates a report or reminder, the system will record this information for viewing or reporting. This too will immediately reduce the amount of paper it collects and needs to store, provide employees and retirees with the ability to review the status of their submitted paperwork, reduce, if not eliminate, the data entry performed by the Benefits staff, and shorten the time to effect enrollments in the system.

Classification and Salary

A. Current State Processes

1. Acting Capacity Requests

Agencies use this process to pay an employee a higher rate of pay on a temporary basis. "Acting capacity" may occur when a position is vacant, a person goes on indefinite leave or a temporary higher level job duty exists and an employee temporarily assumes the higher level duties.

To begin the process, Agency Personnel completes the Acting Capacity Request form (MS345) and has the employee review and sign it, agreeing that they will perform the higher level duties in an acting capacity. Agencies have delegated authority to grant acting capacity pay for Type A (i.e., temporary absence of an incumbent) and Type B (i.e., vacant positions). The employee begins working in their new

capacity and reports their extra pay (i.e., they are paid at the classification salary identified in the Acting Capacity Request MS345 form) on an Exception Time Report.

The Agency forwards the Acting Capacity Request MS345 form to DBM CAS for its review and decision on Type C (i.e., temporary assignment of higher level duties).   CAS may perform a job analysis before rendering a decision. If the Acting Capacity Request is for the Executive Pay Play (EPP), the DBM Secretary must approve the request. If the Agency is requesting a Minimum Qualification Exception for the employee, the Executive Director, OPSB, must approve the request. Otherwise, CAS can make the decision. If approved or denied, CAS notifies the Agency of its decision.

2. Annual Salary Reviews and Pay Plan Adjustments

This process discusses the front-end process that Agencies and DBM CAS perform when there is a need for an annual salary review or pay plan amendment due to a new classification or a salary adjustment. A new classification occurs when an Agency creates a new function or there is an existing function that is now performing significantly different work. A salary adjustment occurs when the current salary is below the market level or the Agency has recruitment or retention problems.

Once an Agency believes they have a need for an ASR or PPA, they submit a request through the DBM OBA for review and study by DBM CAS. CAS evaluates the request and if it recommends approval, the request and documentation go first to the Executive Director, OPSB, and then to the Secretary, DBM, for their approval. If all parties approve, the request goes to the Governor for approval and inclusion in the upcoming year's budget submission for approval by the General Assembly. If the General Assembly approves these requests, CAS must then perform Title Rate File changes (See the Title Rate Maintenance process).

3. Bonus Programs

DBM Classification and Salary (CAS) wrote the recruitment and retention bonus policies; however, it is the responsibility of the Agencies to enact and administer these programs correctly and within policy. Currently, CAS does not monitor or track any bonuses awarded under these programs. If awarded, most employees receive one-half of the bonuses after six months of employment and the other half at the end of their first service year. Nurses receive recruitment bonuses after ninety days and six months. The employee groups eligible to receive the recruitment or retention bonuses under these Statewide bonus programs are:

Special Education Teachers
Certified School Psychologists
Disability Determination Service Psychologists
Institutional Educators
Correctional Officers
Qualified Nursing Employees
Qualified Registered Nurses

4. New Spec or Revised Spec Requests

This process is concerned with the creation of a new specification or the revision of an existing specification. A specification is a job description for a State position. Once a new specification is created, CAS must perform the Title Rate Maintenance process. A revision of an existing specification may require a Title Rate Maintenance change. This process may or may not result in the performance of the reclassification process.

An Agency begins this process when it has the need for a new class or believes that the duties of an existing class have changed significantly. They send a request along with all supporting documentation to CAS. CAS tracks and reviews the submission. If CAS approves the request, they may modify the specification and have the Agency review/approve the modifications. Once all parties are satisfied with the specification, they have DBM Recruitment and Evaluation review the specification's minimum qualifications for recruitment and testing purposes.

If the specification/position is covered by a bargaining agreement, CAS will have the corresponding bargaining unit review and comment on the request. Then the submitting Agency reviews the request. The last step is to perform any Title Rate Maintenance that is needed. This always occurs for a new specification and occasionally for a revision. Once all parties agree, the Director, CAS, reviews and approves the specification and authorizes CAS to post the information on DBM's web site. Typically, this process may take from two weeks to four months, depending on the complexity of the request.

5. Procedure/Policy Training

To assist the Agencies in maintaining their classification and salary knowledge, CAS conducts Classification Overview Classes 1-2 times per year.

CAS posts training classes on their website and notifies Agency Personnel Staff by e-mail for all upcoming training classes. CAS has also created a newsletter to keep all agencies informed of Classification training and issues.

In a related activity, every three years, CAS is required to perform Agency Position Classifications Audits and an Audit of the Agencies Practices and Records. DBM CAS visits each Agency and studies its process, controls, organization and readiness level (training), internet access capabilities and how well it performs vacant and benchmark reclassifications. DBM CAS then issues a report of its findings.

6. Position Freeze/Unfreeze Requests

CAS usually freezes a position because there is something wrong with the classification – e.g., the assigned salary range is too high and they want to adjust it down. Typically, CAS finds these problems during a reclassification analysis. To freeze/unfreeze a position, a CAS analyst or supervisor is the only necessary approval.

When CAS freezes a position, an agency may not move (e.g., hire or transfer) an employee into that position until CAS unfreezes it.

7. Position Reclassifications

This process represents the steps that Agencies and CAS take to reclassify a position. A classification represents a group of attributes that apply to multiple positions (i.e., a family of similar jobs). Some of the attributes are pay rate, eligibility for overtime pay, and classification title. An Agency generally requests a position reclassification to increase the pay of the employees in a particular position. CAS processes approximately 3,000 reclassifications each year.

The Agency begins the process by requesting a reclassification using the MS2024, Reclassification Request and Authorization Form. The Agency reviews the form for completeness and tracks the request. If the Agency has "delegated authority" for that classification, they enter the change into the MS310 system as the process is complete. Delegated authority refers to the Agency's ability to make and approve actions on their own, without involvement or approval by CAS. Generally, this only occurs for Agency-specific classes, to a vacant position downgrade in a defined series, or to upgrade a benchmark class previously approved by CAS.

Agencies may submit a benchmark MS22 to CAS that describes the core duties assigned all agency positions in a specific class. CAS reviews, approves via a job study, and maintains the benchmark MS22 on file. Agencies can process benchmark reclassifications directly in the M310 system (Agencies will certify on the MS310 that the position is assigned the benchmark duties).

When the Agency does not have delegated authority, CAS must become involved. In those cases, the Agency sends its job analysis study and evaluation to CAS for its review. CAS may also perform its own class study. If CAS approves the reclassification, it notifies the Agency and the Agency makes the appropriate changes to the position and employee in the MS310 system. Otherwise, CAS may completely deny the reclassification or approve a modified reclassification (i.e., approve a lower level classification). In the former case, CAS notifies the Agency and the process ends. In the latter case, CAS notifies the Agency, the Agency notifies the affected employees and if the employees do not agree with the decision, they may file a grievance.

CAS uses an Access database to track requests, maintain status updates, and generate notification letters and forms.

8. Salary Plan Mass Changes

Salary plan mass changes are changes that affect entire salary schedules and all of the employees covered and paid by it. The most notable example of a salary plan mass change is the semi-annual cost of living adjustment (COLA). Before CAS makes any changes to the salary plan system information, the Governor and General Assembly must request and approve the change.

At that point, CAS works with ASM to change the salary schedules with the new dollar amounts. Since independent agencies (e.g., University of Maryland, Maryland Automobile Fund) may pay their employees differently, CAS must work closely with them on how and when they wish to change their salary schedules and employees' pay.

After working up the new salary schedules in Excel, CAS forwards the information to ASM. Using this information, ASM updates the Title Rate File. CAS reviews the revised Title Rate File and resolves any

errors with ASM. CAS prepares a separate spreadsheet and goes through the same steps for Executive Pay Plan positions. Once CAS and ASM agree that the salary schedules are correct, ASM updates the Position Status File, effecting changes to each employee's pay. There are no MS310 transactions created; old salary is overwritten with the new salary. The last step is to post the new salary schedules on the DBM website and send the new salary structures to CPB.

9. Salary Requests

This process identifies the steps taken by an Agency and DBM to request and approve salaries above the Standard or Executive Pay Plan base salary amounts for an initial appointment in a particular position. It also discusses the steps taken to request exceptions to the Standard or Executive Pay Plan amounts. CAS receives and processes about 100 salary exceptions requests are done each year. As of 4/1/09, the process for approving Appointments Above Base Salary Requests for Standard Pay Plan positions became the responsibility of DBM Recruitment and Examination.

10. Title Rate Maintenance Process

The Title Rate Maintenance process discusses the steps that CAS takes to authorize and effect changes to the Title Rate File.

Title Rate Maintenance Process Steps	
1	Agency sends a request for a Title Rate Change to the DBM Classification & Salary Unit (CAS) or CAS determines TR needed.
2	The CAS Director, Deputy Director or Supervisor assigns the request to a CAS Analyst
3	The CAS Analyst analyzes the reason for the change to determine if the change is warranted
4	Does the CAS Analyst approve the change?
4-No	Notify the Agency - **(go to Step 4a)**
4-Yes	Continue process - **(go to Step 5)**
5	CAS Analyst prepares the 910A & 910B Title Rate Maintenance forms and forwards them to the CAS Director or Deputy Director
6	CAS Director or Deputy Director analyzes the request
7	Are revisions required?
7-No	Continue process - **(go to Step 8)**
7-Yes	Make Corrections - **(go to Step 5)**
8	The CAS Team Secretary processes the 910A & 910B Forms and distributes them **
9	DBM PTU enters and processes the 910A & 910B transactions
10	Error reports from the transaction processing are sent to the CAS Salary Analyst for review and determination
11	Are revisions required?
11-Yes	*Make Corrections - **(go to Step 5)***
11-No	***End of Maintenance Process***
Additional Notes for Title Rate Maintenance Process **	
The CAS Director, Class History & DBM PTU get one copy of the 910A & 910B, the requesting agency get one copy of the 910B only.	

B. Future State Vision

1. Process Improvement Recommendations

We have identified several requirements for these processes that will help increase the effectiveness and efficiency of the Classification and Salary Division and improve the Agencies' and employees' experience. This added functionality includes, but is not limited to:

- Online Forms and Specifications
- Workflow Routing, Approvals, Tracking and Notifications
- Checklists and Reminders
- Workload Metrics

Online Forms are absolutely mandatory for the CAS Division. Today, most of these processes are manual and driven by paper forms. CAS maintains all approved specifications as Word documents. In the future state, an Agency would complete an online request form (for any process) that the system routes to the appropriate Agency or CAS analyst for their action. When the request form and its supporting documents reach CAS for its review and approval, the system will update CAS' workload tracking system (see Workload Metrics). The CAS analyst creates/modifies and stores the appropriate information within or enters a transaction into the new system. Once CAS approves the request, the system sends out notifications of its approval and the information (e.g., new specification) is available for use. By implementing and using online forms, specifications and workflow, CAS will immediately reduce the amount of paper it collects and needs to store, provide Agencies with the ability to review the status of their submitted paperwork, and reduce the data entry performed.

Workflow Routing, Approvals, Tracking and Notifications is also mandatory for the CAS Division. While CAS, does very well tracking and moving paperwork through its group, this process can become much more efficient if the system moves the request forms and specifications through the organization. In the new system, when the Agency enters the request online, CAS will be alerted to upcoming work so they can plan accordingly and they can review and approve the request online (with or without changes). If necessary, they can send the form back to the Agency for more information. All along the workflow, as staff or the system approves or processes the request and specification, the system will record this tracking information for viewing or reporting. This will immediately reduce the amount of paper it collects and needs to store, provide Agencies with the ability to review the status of their submitted paperwork, reduce the data entry performed by the CAS staff, and shorten the time to effect new or revised specifications in the system.

Checklists and Reminders are also mandatory requirements. Many of the process steps require the CAS staff to either follow up on a previous step (e.g., they send back forms for more information) or once they begin a step, they must perform some other prescribed steps (e.g., inform the Agency of their request's disposition). The new system can facilitate much of this by providing checklist and reminder functionality. Typically, checklists are predefined groups of tasks that someone must complete. For example, we can create a new specification checklist that lists all forms, steps and approvals that the Agency and CAS must complete for a new specification. Then, as they receive an approval, the system marks that item as complete. CAS or the Agency can query the checklist to see what outstanding actions they need to perform. Similarly, reminders are system generated alerts that notify someone that they need to take some action. For example, CAS can use reminders to alert an approver that they are overdue with their review and decision.

CAS has also requested that the new system track various <u>Workload Metrics</u>. For example for the New/Revised Classification process, this may include the number of new or revised classification requests they receive and view, the amount of time it takes them to complete their portion of the review, the number they (dis)approve and which staff performed the analyses.

In addition to these universal improvements, CAS has several process-specific improvements. These are:

- Acting Capacity Request
  - Perform online edits such as checking if the employee's new salary is higher than the new position's minimum base salary, and taking appropriate action (e.g., route the transaction to CAS for its approval).
  - Add CAS to the approval chain for all temporary assignments, all Executive Pay Plan positions, and appointments needing an exception to minimum qualifications.
- Annual Salary Reviews/Pay Plan Adjustments
  - Electronically store the paper analyses that backup the CAS recommendations as part of the workload tracking system.
- Policy/Procedure Training
  - Track the training classes, the attendees, their completion, the trainer and the dates of the training. While it may be nice to have a full-blown training administration system (e.g., online registrations and notifications, reports, resource scheduling), it is not necessary for this process.
- Position Freeze/Unfreeze
  - CAS wants to have the appropriate rights to enter these changes into the system. They would no longer have to fill out a form, send it to DBM Staffing and wait until they key the transaction.
- Salary Plan Mass Changes
  - With have effective date salary tables, CAS will be able to directly enter the new salary structures into the system and to review and modify them accordingly. Then at the prescribed time, they can run a process to update the employee records with the new salaries.
- Title Rate Maintenance
  - Electronically store the paper analyses that backup their decisions as part of the title rate file change. So, if the CAS staff creates a Word or Excel document to analyze and/or justify a title rate change, they want to link this document to the title rate file change transaction.

2. Process-Specific Assumptions and Risks

When discussing the future state of Classification and Salary at the State, we are making the following assumptions:

- All CAS functions and processes are done centrally by CAS; the Agencies no longer perform them

Office of Statewide EEO Coordinator

A. Current State Processes

1. Annual EEO Reporting

This process discusses the steps that OSEEOC takes to create the Annual Statewide EEO Report. OSEEOC issues the completed report to the Governor, the Secretary of DBM, each Agency, the General Assembly, and the Maryland Commission on Human Relations by January 1 of each year. Due to the labor intensiveness of this process, OSEEOC begins this process in July.

The Annual Statewide EEO Report provides the Governor and the Joint Committee on Fair Practices with the information necessary to effectively assess the States Equal Employment Opportunity (EEO) Program. Within the report, we review the organization of the State's EEO program and identify the goals and objectives of the OSEEOC, which is charged with overseeing and implementing the State's EEO program.

2. Discrimination Complaints

State and Federal statutes make it illegal to discriminate against a person/employee on the basis of race, color, religion, sex, age, national origin, marital status, disability, sexual orientation or genetic information, and gender identity and expression. It is also illegal to retaliate against a person/employee who has filed a discrimination complaint or appeal.

This process discusses the actions a person/employee can take if they believe that they have been the object of discrimination at the workplace. The Agencies handle all discrimination complaints; OSEEOC handles all appeals. Annually, the OSEEOC handles 15-25 appeals of EEO discrimination complaints.

3. Discrimination Appeals

State and Federal statutes make it unlawful to discriminate against an applicant/employee on the basis of race, color, religion, sex, age, national origin, marital status, disability, sexual orientation or genetic information. It is also unlawful to harass and retaliate against an applicant/employee who has filed a discrimination complaint or appeal.

This process discusses the actions an applicant/employee can take if he/she has filed an EEO complaint with their agency and the final decision on the case is a "no cause" decision. Annually, the OSEEOC handles approximately 200 appeals.

4. Whistleblower Complaints

The Whistleblower Law protects State Executive Branch employees who "blow the whistle" by disclosing information believed to evidence abuse of authority, gross mismanagement or waste of money, a substantial and specific danger to public health or safety, and/or a violation of the law. This process details the steps an employee can take if they believe they have been retaliated against for blowing the whistle. The OSEEOC handled approximately 5 whistleblower complaints in FY08.

5. EEO Compliance Audits and Reviews

State and Federal statutes make it illegal to discriminate against a person/employee on the basis of race, color, religion, sex, age, national origin, marital status, disability, sexual orientation or genetic information, and gender identity and expression. It is also illegal to retaliate against a person/employee who has filed a discrimination complaint or appeal.

This process discusses the steps that OSEEOC takes to monitor and assist State Agencies in their compliance of current EEO legislation and State policy. OSEEOC performs approximately 2 compliance audits monthly whereby they audit each Agency every other year.

B. Future State Vision

1. Process Improvement Recommendations

The future state of the Discrimination Complaint, Discrimination Appeal, and Whistleblower Complaint processes is extremely similar to their current state; however, OSEEOC wants to automate as much of the processes as possible. This desired automation includes the use of Employee/Manager Self Service and Online Forms, Workflow Routing, Approvals, Tracking and Notifications, Checklists and Reminders, and Integrated Databases.

One specific difference is that OSEEOC wants to not only move access to its database out to the Agencies but they also want to have employees file their complaints, appeals, and reasonable accommodation requests online. For example, an employee would access the new system and complete the OSEEOC complaint form. Upon submission, this form would create an entry in the OSEEOC Complaint/Appeal/Accommodation database and send notifications to the appropriate Agency and OSEEOC staffs.

Continuing with the example, the Agency would investigate the complaint, update the database with its notes and issue its findings. If the investigator did not find discrimination, the system would create the No Probable Cause letter and send it onto the Agency and employee along with their rights. In the case of found discrimination, the system would create the Probably Cause letter and send it to the Agency and employee. In either case, the investigator would continue to update the database accordingly and OSEEOC would receive notifications of the findings electronically.

If there was a No Probable Cause finding and the employee wanted to appeal, they would file the appeal online and the submission would update the original complaint record and send a notification to OSEEOC. OSEEOC would perform its investigation and update the database with its notes. OSEEOC would issue a finding and update the database and the system would generate and send the appropriate letters and notifications to the Agency and the employee.

The information in the database will provide OSEEOC with the information they need to answer the DBM Secretary's inquiries and for Managing for Results.

The future state of the EEO Compliance Audit process is extremely similar to the current state. OSEEOC will still send out its pre-audit survey, it will still visit each Agency, talk with the staff and conduct

its audit, and issue its written findings and recommendations. The difference is that OSEEOC wants to maintain information about its audits. They want a database to track workforce metrics about the audits (e.g., date scheduled, date completed, staff member who conducted the audit, next audit date, audit findings, and other audit characteristics. This will provide them with the information they need to answer the DBM Secretary's inquiries and for Managing for Results.

The future state of the Annual EEO Reporting process is similar to the current state; however, it will make a significant use of automation. For this process, the new system will contain already contain most of the OSEEOC needs to issue its Annual EEO Report and the EEO-4 report. The new system will contain the EEO-4 report. To use it properly, the State will need to configure the system (e.g., set up and link locations). The new system will also have a query and reporting tool that will allow OSEEOC to generate the various tables and charts that comprise the Annual EEO Report to the Governor. To fulfill all required EEO reporting, the State will need to capture and enter the race, gender and veteran information for all State of Maryland employees and applicants.

With all of this race, gender and veteran status information in the system, OSEEOC would no longer need to send files containing race, gender and veteran status to the Agencies for their review and confirmation. Also, the Agencies would no longer need to maintain recruitment logs that show the race, gender and veteran status as the new system would maintain the recruitment logs within the Recruitment functionality. Last, OSEEOC would need to learn how to use the query and reporting tool to generate the correct reports.

Employee Relations

A. Current State Processes

1. Disciplinary Actions

This process discusses the four disciplinary processes that may occur. There is one process governing probationary employees (i.e., employees within the first six months of a new position through either a new hire or a promotion), non-probationary employees not in the CCU, senior executive and management employees, and CCU employees.

2. EAP – Substance Abuse and Referrals

The State of Maryland has developed a program to aid its employees when personal stresses and conflicts adversely affect their work and performance. Known as the Employee Assistance Program, the State has contracted with Baltimore-based, Universal Counseling Services (UCS) to provide consulting and referral services under the program. This is a voluntary and confidential service.

The Employee Relations Division (ERD) is responsible for administering this program. Day-to-day program activities fall to the ERD EAP Coordinator, James Fox. Annually, ERD, on behalf of the state agencies, refers approximately 225 employees.

3. Grievance Processing

Per State Personnel and Pension Article 12-102, an employee who has a dispute with their employer about the interpretation of and application to the employee of a personnel policy or regulation adopted by the Secretary, or any other policy or regulation over which management has control may file a written grievance (using DBM's Appeal and Grievance Form) within twenty days after the occurrence of the alleged act that is the basis of the grievance; or the employee first knew of or reasonably should have known of the alleged act that is the basis of the grievance.

The grievance process has three steps. They are:
a.   Initiate a grievance by filing a written grievance with the Appointing Authority
b.   Appeal the initial decision to the Head of the Principal Unit
c.   Appeal the second decision to DBM

B. Future State Vision

1.   Process Improvement Recommendations

We identified several requirements for this process that will help increase the effectiveness and efficiency of the Employee Relations group and improve the employees' experience. These requirements are:

- Employee/Manager Self Service and Online Forms
- Workflow Routing, Approvals, Tracking and Notifications
- Checklists and Reminders
- Online Surveys
- Integrated Databases

In the future state, the flow of the Disciplinary Action, Grievance and EAP/Substance Abuse Referral processes would not change significantly. However, ERD would automate many of the manual steps.

Employee/Manager Self Service and Online Forms are absolutely mandatory for ERD. Today, most of these processes are manual and driven by paper forms. We would have the employees or their representatives and Agencies complete forms online and route these documents electronically. Using workflow and online approvals/denials, ERD would streamline and eliminate much of the manual activity associated with their processes. For example, in the disciplinary process, if an appointing authority completed a Notice of Disciplinary Action form, the system could send a copy to the affected employee and create a record in the Disciplinary Action/Grievance database. If the action requires approval, the system can send the approver a notice requesting their review and action. Once approved, the action can also update the Disciplinary Action/Grievance database. Along with the various disciplinary action forms, we can also keep the investigation reports online.

Filing an appeal or requesting EAP or a substance abuse referral could work the same way. For example, an employee (or a union representative) could complete the Appeal and Grievance form online and the system would create a record in the Disciplinary Action/Grievance database. The system can also send the appeal to ERD staff if the employee filed an appeal to that level.

Workflow Routing, Approvals, Tracking and Notifications is also mandatory for ERD. While ERD does very well with tracking and moving paperwork through its group, this process can become more

efficient if the system moves the forms for them. In the new system, when the employee files a grievance, the system can update the database and Employee Relations can review the filed appeal online. Then, they can begin the manual steps of the appeal process such as scheduling a conference. All along the workflow, as staff or the system updates or processes the information or generates a notification or reminder, the system will record this information for viewing or reporting. This too will reduce some of the paper it collects and needs to store, provide Agencies with the ability to review the status of their employees' disciplinary actions and grievances, reduce the data entry performed by ERD, and shorten the time to complete these processes.

Included in this functionality, ERD wants to track the forms and notifications that they send. The ERD needs to have the ability to reproduce the entire chain of events that constitute a particular employee's referral and counseling event. This may include not only the forms sent but also the date and time the system sent the form or notification. In addition, since the wording of notices and forms change over time, ERD wants to be able to recreate the notice/form that they/the system sent on a particular date. They do not require that the system store a copy of the notice sent.

Checklists and Reminders are also mandatory requirements. Some of the process steps require the ERD staff to either follow up on a previous step (e.g., they send notifications to the Agencies when they complete a settlement conference) or once a process is begun, they must perform some other steps (e.g., create documentation for review). The new system can facilitate much of this by providing checklist and reminder functionality. Typically, checklists are predefined groups of tasks that someone must complete. For example, an employee must complete and submit a referral form before getting access to our EAP services. We can create an EAP checklist that includes all forms and steps to complete. As the employee completes and submits the forms, the system marks them as complete. ERD can then query the checklists to see what outstanding forms or actions the employee or they need to perform. Similarly, reminders are system generated alerts that notify someone that they need to take some action. For example, ERD can use reminders to alert them that they must complete the next step in the grievance process within x days.

Conducting surveys online is a nice to have requirement for ERD. The system would notify the Agencies and employees and employee representatives, which would be a union representative or an attorney, that they have a survey ready to complete and provide them with instructions for signing onto the system and accessing the survey. The system would store the answers in a database within the new system. Quarterly, the system would compile the survey statistics, generate, and route the report.   These statistics may include the number who took the survey and the number who answered positively on each question. ERD would be able to run and distribute other ad-hoc survey reports.

Settlement Conference, EAP Referral and Disciplinary Action Databases are mandatory requirements. Today, ERD tracks all settlement conferences and EAP referrals in Access databases with all information entered manually. ERD wants these databases integrated into the new system.

Medical Services

A. Current State Processes

1. Drug Testing

Drug Testing is the first of three related processes managed by DBM – Employee Medical Services Unit. By State regulation, all applicants for "sensitive classes/positions" must take a drug test for the use of controlled substances (e.g., marijuana, amphetamines, opiates and cocaine). Many of the positions requiring a drug test are in the Department of Juvenile Services, the Department of Public Safety and Correctional Services, the Department of Transportation and the Maryland State Police. Through this process, the State screens several thousand people.

Employees in sensitive classes/positions are also tested:
- after an arrest for controlled dangerous substance offense
- when they are involved in an incident resulting in injury to another person or there is property damage
- when the employee notifies agency of participation or follow-up after participation in a rehab program or as condition of continued employment
- after random selection

Drug tests may also occur for all State employees if there is reasonable suspicion of substance abuse.

Today, Employee Medical Services Unit and the Agencies only use hard-copy forms to communicate with the person being tested and the drug labs. The only time there is an electronic data exchange is when Employee Medical Services Unit downloads the drug test results from the drug testing vendor into their web-based, test results database and then into their Access database.

2. Positive Retesting

Positive Retesting is the second of three related processes managed by DBM – Employee Medical Services Unit. By State regulation, all applicants or employees, once they have taken an initial drug test and the results were positive, may have the same specimen retested. The applicant/employee is responsible for requesting the retest, scheduling their appointment, and paying the associated costs. Through this process, the State retests approximately five people each year.

3. Negative Dilute Drug Testing

Negative dilute drug testing is the third of three related processes managed by DBM – Employee Medical Services Unit. If the drug sample is determined to be "negative dilute" and therefore may be suspect to some type of tampering, Employee Medical Services Unit advises the referring Agency that they may wish to retest the donor. The Agency may or may not retest the donor. It is entirely the Agency's prerogative.

4. Concentra Referrals

Situations arise primarily for medical reasons, where an Agency needs to determine if an employee can continue to perform their position. Usually, these occur after an employee has been on leave for an extended time period (e.g., long-term leave of absence). This process concerns itself with ascertaining the employee's ability to continue to perform their position.

The State has contracted with Concentra, an independent medical services provider, to perform workability studies on the employees in question. A workability study is a comprehensive examination (or

review) of the employee's ability to perform the essential functions of their position. DBM – Employee Medical Services Unit administers the contract; however, the Agencies and the employees deal directly with Concentra.

The State does not treat these situations lightly as the consequences are significant. In some cases, the Agency makes a reasonable accommodation and the employee returns to work.

5. Leave Bank

The leave bank is a voluntary benefit that the State provides its employees. Employees may elect to enroll in the leave bank by depositing a minimum of one day of personal, annual or sick leave within 60 days of beginning State employment or during any open enrollment period. Employees are automatically enrolled in the leave bank if they forfeit 8 or more hours of leave at the end of the calendar year. If the employee is already a member of the leave bank, their leave bank balance is not increased by the amount of leave forfeited. An employee's membership in the leave bank is for two years, at which time they must donate another 8 hours to reenroll. There are about 20,000 members currently enrolled in the leave bank program.

If an employee exhausts all of their accrued leave (including personal, annual and sick) due to a prolonged and serious medical illness, they may apply to the leave bank for additional leave. An employee is not eligible to apply for days from the leave bank until they have completed 90 days of employment. Employee Medical Services Unit processes approximate 1,200 leave bank requests each year. If the State approves leave bank hours for an employee, it is up to the Agency to submit the hours to Payroll so the employee is properly paid. Employees may not receive more than 2,080 hours of leave from the Leave Bank & Employee to Employee Leave Donation Programs.

If OPSB turns down an employee's request for leave bank hours or approves fewer hours than the employee requested, the employee may appeal this decision. The State Medical Director reviews the employee's appeal along with their supporting documentation. The State Medical Director makes a recommendation to the Executive Director, OPSB, who makes the final decision on the appeal. This is the same appeal process for employee-to-employee leave donation requests. There are approximately 200 total appeals filed and processed annually.

6. Emergency Release and Liberal Leave

Emergency release determinations include: full day closings, delayed start times, early releases and liberal leave. When an emergency situation occurs (e.g., snowstorm, power outage, building is flooded) that requires the State to close some or all of its offices, the State invokes the Emergency Release process. This process covers the notifications made and approvals required to close one or more State facilities and to send its employees home. For various reasons, primarily financial, the State does not invoke an Emergency Release too often.

When they invoke an Emergency Release, the State may require all non-essential employees to charge the time off from work under the Liberal Leave process. Non-essential employees who do not work during a liberal leave emergency release must charge their time-off to some leave type (e.g., annual, sick, compensatory) or the State does not pay them for that time-off. During an Emergency Release (other than

Liberal Leave), the State pays all essential employees (i.e., those that must stay on the job) that work at double time pay rates.

Employee Medical Services Unit serves as the conduit for the Executive Director, OPSB to notify agencies of approvals of administrative leave when buildings are closed through this process.

B. Future State Vision

1. Process Improvement Recommendations

We identified several requirements for this process that will help increase the effectiveness and efficiency of the Medical Services group and improve the employees' experience. These requirements are:

- Employee/Manager Self Service and Online Forms
- Workflow Routing, Approvals, Tracking and Notifications
- Checklists and Reminders
- Drug Testing Database
- Leave Bank Database
- Emergency Essential Staff/Position Identifiers

Employee/Manager Self Service and Online Forms are absolutely mandatory for the Employee Medical Services Unit. Today, the entire process is manual and driven by paper forms. A significant task performed to support this process is the matching and tracking of drug test paperwork and test results received in the drug test database. Medical Services tracks this information, in part, so they can generate letters to the Agencies informing them of the drug test results. If the system generates and electronically disseminates these notifications (for negative drug tests only), Medical Services can eliminate this labor and time intensive task and the Agencies and employees or applicants will receive their information more quickly. By implementing self service and using online forms, Medical Services will immediately reduce some of the paper it collects and needs to store, and provide Agencies with the ability to review the status of their applicant/employee drug tests.

Similarly, with this capability, the Agencies can fill out drug test request forms online instead of completing paper forms. While they must print the forms for submission to the testing facility, these electronic forms can also update the Drug Test database. This too will significantly reduce the amount of data entry that Medical Services performs. Instead, they will monitor the process; tracking, reviewing and approving drug test results online.

Workflow Routing, Approvals, Tracking and Notifications is also mandatory for the Medical Services Unit. While Medical Services does very well with tracking and moving paperwork through its group, this process can become more efficient if the system moves the forms and test results through the organization for them. In most cases, when an employee takes a drug test, the results are negative and Medical Services reviews the forms and enters information into their database. In the new system, when the lab transmits the drug test results, the system can update the drug testing database and Medical Services can review the results online. Then, they can either send the results to the Agency electronically (negative results) or generate hard-copy notifications for positive results. All along the workflow, as staff or the system updates or processes the information or generates a notification or reminder, the system will record this information for viewing or reporting. This too will reduce some of the paper it collects and needs

to store, provide Agencies with the ability to review the status of their drug tests, reduce the data entry performed by Medical Services, and shorten the time to hire employees.

Checklists and Reminders are also mandatory requirements. Some of the process steps require the Medical Services staff to either follow up on a previous step (e.g., they send notifications to the Agencies when they receive test results) or once a process is begun, they must perform some other steps (e.g., create review packet for State Medical Director). The new system can facilitate much of this by providing checklist and reminder functionality. Typically, checklists are predefined groups of tasks that someone must complete. For example, an applicant must complete and submit a consent form before taking a drug test. We can create a drug test checklist that includes all forms and steps to complete. As the applicant completes and submits the forms, the system marks them as complete. Medical Services can then query the checklists to see what outstanding forms or actions the applicant or they need to perform. Similarly, reminders are system generated alerts that notify someone that they need to take some action. For example, Medical Services can use reminders to alert the State Medical Director that there are positive drug test results that they need to review.

Drug Test Database is a mandatory requirement. Today, Medical Services tracks all drug test activity and results in an Access database with most information entered manually. There is also a Drug Test Results file that contains the drug testing results from the testing labs. Information from this file can and must update the drug test database. Medical Services wants this database incorporated into the new system.

Leave Bank Database is a mandatory requirement. Today, Medical Services tracks all leave bank members, leave bank requests and decisions, and leave bank usage and balances in an Access database with most information entered manually. Medical Services wants this database incorporated into the new system. However, if it is unfeasible to do so, then there must be a dynamic electronic link between the new system and the database so that the link updates the employee's information in the leave bank database.

For the future state of the Emergency Release/Liberal Leave process, most activities will remain as they are in the current state. However, if in the new system we have indicators that identify "emergency essential" positions and employees, we can run a process that generates email notifications to all affected employees by an emergency situation.

For Workability Studies, we do not expect any changes from the current to the future state of this process.

Personnel Services

A. Current State Processes

1. Administrative Transactions

"Administrative Transactions" is the State's name for all actions that effect changes on its employees and its positions. For employees, these include, but are not limited to, hires, transfers, and terminations. For positions (i.e., PINs), these include, but are not limited to, title rate changes and reclassifications.

This process only discusses the electronic entry, validation and processing of administrative transactions. This PDR does not cover the other processes that may precede the data entry of an administrative transaction (e.g., gathering authorizations, recruiting, disciplinary actions). We discuss these preliminary processes in other PDRs, if appropriate.

2. Employee Terminations

This process concerns itself with the entry of the termination transaction into the MS310 system. For information on the Disciplinary Action and Grievance processes, you can read, DBM – Employee Relations' Disciplinary Action PDR and Grievance Processing PDR.

For both sub-processes, the Personnel Transaction Unit receives termination transactions from the Agencies via the MS310 system. In the case of involuntary terminations, including terminations with prejudice (i.e., the employee is to be barred from State service for three years), PTU has to enter information into the MS106 system. Once entered, the termination transaction flows to the SPMS system where the transaction is stored and onto Payroll where that system also terminates the employee. Then, the termination information flows to the benefits system where the employee's benefits are cancelled, as well.

3. Batching and Miscellaneous Flows

This group of four processes addresses the batch jobs that move and update personnel transaction data within Personnel's transaction-related systems. These systems include MS310 and SPMS. Due to the architecture of these systems, several batch processes must run to sync up the information among the systems. The four processes are:

- Batch Update Process
- MDOT Process
- Monthly Transaction Purge
- PIN Transaction Updates

B. Future State Vision

1. Process Improvement Recommendations

We have identified several requirements for these processes that will help increase the effectiveness and efficiency of the Personnel Services Division and improve the employees' experience. This added functionality includes, but is not limited to:

- Single, Integrated, Relational Database System
- Employee/Manager Self Service and Online Forms
- Workflow Routing, Approvals, Tracking and Notifications
- Checklists and Reminders

A Single, Integrated, Relational Database System is mandatory for the new system. This system will combine the existing functionality of the MS310, MS106 and the existing SPMS.

Employee/Manager Self Service and Online Forms are absolutely mandatory for DBM's Staffing Division. Today, the MS310 supports this process but has limited self service capability. Managers and HR staff cannot key all transaction types and employees cannot key any information into the system about themselves (e.g., benefits, demographics). The entry of many transactions begins as a paper based processed and are processed centrally by DBM Staffing. If the system had online transaction forms, then employees, managers and HR could complete all of these steps electronically and the system would store this information in the appropriate transaction files. By using employee and manager self service and online forms, the State will immediately reduce much of the paper it collects and needs to store, provide employees and managers with the ability to review the status of the transactions affecting their staffs.

Workflow Routing, Approvals, Tracking and Notifications is also mandatory for the Staffing Division. Staffing and the Agencies do very well with moving paperwork through the system. However, this process can become more efficient if we eliminate the paper and have the system move all of the forms (i.e., personnel transactions, PIN changes). While the current system does some of this, the system does not use workflow for all transactions and the number and type of roles is inadequate.

In the new system, we can resolve these deficiencies. For example, when an Agency completes any personnel transaction, the system can route the transaction for approvals (if needed), hold the transaction for supporting documentation (e.g., Social Security card for a name change), and update the system upon final approval. Staff can then review the information online and add its approvals, as needed. We can also add workflow to work on PIN transactions. We can create or change the PIN online and then route it to the correct approvers (e.g., Budget Analysts) for their review. Only then will the PIN become effective.

Then, Staff can send notifications to the Agency and the employees electronically. All along the workflow, as staff or the system updates or processes information or generates a notification, the system will record this information for viewing or reporting. This too will reduce some of the paper it collects and needs to store, provide Agencies and employees with the ability to review the status of their transactions, and reduce the data entry performed by all.

Checklists and Reminders are also mandatory requirements. Some of the process steps require Staff and the Agencies to either follow up on a previous step or once a process is begun, they must perform some other steps. The new system can facilitate much of this by providing checklist and reminder functionality. Typically, checklists are predefined groups of tasks that someone must complete. For example, an employee must complete and submit new benefits forms upon retiring. We can create a Retirement checklist that includes all forms and steps to complete. As the employee completes and submits the forms, the system marks them as complete. Staff and Benefits can then query the checklists to see what outstanding forms or actions the employee or department need to perform. Similarly, reminders are system generated alerts that notify someone that they need to take some action. For example, Staff can use reminders to alert Agencies that they have incomplete transactions in the system that require their attention or the system will delete the transactions.

2. Process-Specific Assumptions and Risks

When discussing the future state of Staffing transactions at the State, we are making the following assumptions:

- The State will no longer use the existing MS310 and SPMS for ongoing personnel transaction processing
- The State will convert all data on active employees from these three systems into the new system, as appropriate
- The State will need to determine a conversion strategy for converting information on its separated employees from these systems into the new system

Position Control

A. Current State Processes

1. Position Control Processing

Position Control is currently managed by the Division of Finance and Administration within DBM. They handle the creation, management, and abolition of Position Identification Numbers (PINs) for authorized, budgeted positions. OPSB manages other PINs. The reconciliation of authorized positions between the OPSB database and the budget system (HOBO) is a manual process. As part of the budget process, Agencies may request new positions. These requests, if approved, become part of the Governor's Budget submitted to the Legislature in January. The legislature approves or denies new positions and may abolish existing positions as part of approving the State's budget in April. New and abolished position lists are extracted from the approved budget.

The primary processes comprising Position Control are:
<u>Creating an authorized, budgeted PIN</u>:
a. Legislature approves them as part of the annual State budget.
b. Board of Public Works approves them when legislature is out of session. This authority is delineated in the annual Budget Bill, which has various criteria for approval of new positions.
c. DBM can create a PIN for an agency to accommodate resource changes or correct errors, as long as the number of FTE's does not change. PINs may also be transferred from one agency to another, and are processed through DFA. The FTE implications are recorded in the budget system and DFA consults with the Office of Budget Analysis for transfer approvals.
d. Non-budgeted process for 'off-budget' agencies (e.g. local health, MAIF, IWIF)
e. PINs are always maintained at the authorized %
f. PINs can be split, but the total of the split PINs cannot exceed the authorized %
g. Part-Time PINs can be combined into one PIN and the additional PIN is abolished

<u>Abolishing a PIN</u>:
An agency, budget analyst, or the legislature can initiate the abolition of a PIN. DFA "flags" the PIN for abolition in HOBO. The status in the OPSB database is changed to abolish after the MS310 is processed to actually abolish the PIN. The PIN numbers are not reused.

<u>Transferring a PIN:</u>
Positions transferring between Agencies must have the approval of DBM's OBA. This process is coordinated by position control.

In addition to managing PINs in the personnel module of the budget system, DFA maintains a master position control file of all authorized State positions.

Position Control Budgeting Process:

1. In late June after salary increments and COLA are applied, OPSB takes a Snap Shot of the system and creates a data set of Pin/Salary Information by PIN and Financial Agency or Grouping. **NOTE:** this data is also provided to Budget/Finance on a monthly basis as well
2. OPSB sends the new PIN & Salary dataset to Position Control
3. Position Control merges the dataset into the HOBO system by PIN, Program and Sub Program and by Financial Agency or Grouping, refreshes HOBO and calculates salaries for the next Budget Year. **NOTE:** Position Control does not process the merge for Legislature, MDOT, University of Maryland, Morgan State, BCCC, St. Mary's College, and most of the non-budgeted agencies (i.e. Stadium Authority, Md. Food Center, MAIF, Local Health, MDTA, College Savings Plan of Maryland, MEF, and IWIF)
3a. Position Control reconciles differences in FTE Counts and reconciles the FTE Count to FTE Control Counts.
3b. Position Control reconciles other data elements, such as program/subprogram, funding and retirement codes, unit, and location.
3c COMMENT: The last step in the merge process is to create a new Master Salary Forecast File.
4. Position Control sends the Master Salary Forecast file to the Agencies that use HOBO and printouts to Non-HOBO Agencies (normally the 1st week of July).
5. Agencies will update/modify the Master Salary Forecast data as part of preparing their annual budget request (adding new pins, abolishing pins, re-classing pins, and transfers).
6. In September, the Agencies send the updated Master Salary Forecast data back to Position Control.
7. Position Control reviews the Master Salary Forecast and makes any necessary corrections.
8. Position Control sends the reconciled Master Salary Forecast to the OBA Budget Analyst for review.
9. In September – December OBA Budget Analysts review and approve/disapprove position requests as part of preparing the Governor's Budget.
10. OBA Budget Analysts use the Master Salary Forecast to load the new FY Budgets into the Budget.
11. OBA Budget Analyst finalizes budget and submits to PC to capture new pins, abolished pins, & transfers.
12. Position Control extracts Budget, Personnel, and Fund information to a separate dataset and sends it to DLS.
13. The Legislature can abolish existing PINs, cut new PINs, approve new PINs, or can create new PINs through legislation.
14. Position Control receives Joint Chairman's Report & requests Budget Analyst for any other input from legislature.
15. Position Control extracts FTE changes from Cur Year to allowance year, creates sub-files, extracts new PINs from HOBO & creates new PIN file.
16. In early May, Position Control sends a file with all new PINs to ASM for update to the Personnel System (SPMS).
17. Process is complete go to Step 1.

B. Future State Vision

1. Process Improvement Recommendations

We have identified several requirements for this process that will help increase the effectiveness and efficiency of the Position Control processes. These requirements are:

- The ability to identify PINs and PIN data elements at a level of detail that will allow data to be extracted in a workable format for budgeting and budget modeling across the enterprise. HRIS data must be extracted with a correct salary forecast (projection of current fiscal year and the next fiscal year salaries). Data will be extracted for a direct load into HOBO
- The use of automated workflow to control the routing and approval path of pin related transactions to ensure that they follow the correct approval path, and to reduce the time required to execute these types of transactions.
- Provide an automated conversion process for new and old agency codes between HOBO, CPB, and the new system.
- Ability to track Contractual PINs in the new system
- Provide an automated interface between the new system and the HOBO for all PIN-related transactions which would eliminate the need for many of the current reconciliation processes.
- Add user defined data elements in the new system to be used by Position Control specifically to store, maintain, or mass change these elements. HRIS data must be extracted with a correct salary forecast (projection of current fiscal year and the next fiscal year salaries). Data will be extracted for a direct load into HOBO.

Recruitment and Examination

A. Current State Processes

1. Job Requisitioning Through Selection

DBM's Recruitment and Examination Division assists Maryland's State Agencies by developing, or empowering them to establish interested pools of best qualified applicants for filling skilled and professional services vacancies. This is accomplished by providing a variety of services for Recruitment, Examination and Selection.

The DBM Recruitment and Examination Division (RED) evaluates applications, analyzes jobs, and creates appropriate testing instruments to provide a ranking system for placing candidates on eligible lists; conducts tests at various sites throughout the State; and provides consultation, training, and technical assistance to Agencies conducting selection processes for unique classifications. Included are all of the activities required to gather and qualify candidates for positions and hire, transfer, promote, or reinstate them in the State of Maryland. There are six sub-processes that this group performs:

a. **Job Requisitioning -** Agency Hiring Managers determine that they need to fill a vacancy. They request a Hiring Freeze Exception (HFE) to allow them to fill the vacancy. A DBM

Budget Analyst reviews and approves the HFE. Upon approval, the Agency forwards a Recruitment Package (Signed PSP, Job Announcement and MS-22) to RED. A RED Analyst reviews and approves the Recruitment Package. They enter a request into the Sigma AMS System, which assigns an Announcement Number, and they send the updated request back to the Agency. If there is not a current test for the position, RED creates a test. RED posts the recruitment on the DBM recruitment website.

b. **Eligibility Lists –** The Agency receives paper and electronic applications for a position and they enter them into Sigma AMS and complete an initial application screening. The Agency determines the type of recruitment and review applications for meeting minimum position qualifications. If they require a test, they administer and score the test. They send applicant information to the mainframe and create and post the Eligibility List on the DBM recruitment website.

c. **Registers –** RED creates a Register when there are between 2 – 10 (non-inclusive) qualified applicants for a Skilled & Professional Services recruitment. They place applicants that meet the minimum qualifications on the Register and contact all applicants on the Register for an interview.

d. **Layoffs –** For all pending layoffs and separations, the Agency contacts the DBM RED Director and requests that these employees be certified to comparable Eligibility Lists. A RED Analyst will identify all comparable class Eligibility Lists on which they may place the employees. They send notifications to the employee, Agency Personnel Director, RED Director, and the OPSB Executive Director. They add the employees to the appropriate Eligibility Lists.

e. **Testing and Test Construction –** DBM RED uses a software package called "Sigma" to track job applications and recruitment information, and to perform applicant testing, test scoring, and statistical analysis of test results. When constructing a test for a position, DBM RED Analysts review current job specifications and any current testing instruments available. They also perform a Job Analysis and organizational needs analysis. Predictive hypotheses are developed based on the job analysis, and they select appropriate measurement criteria. They review and approve the assessment and administer pilot tests.

f. **Interviewing & Selection –** RED develops an interview questionnaire and scoring guide. The Agency selects an Interview Panel and schedules and conducts interviews. The Interview Panel rates and scores each candidate and recommends a selected candidate using an Applicant Flow Chart. The Hiring Manager contacts Personnel to begin the Hiring Process.

2. Job Offer Through Probation

These processes comprise all of the activities that the State of Maryland requires to select and hire candidates for positions. There are three sub-processes:

a. **Offer –** The hiring manager submits the selected candidate and all supporting documentation to DBM Personnel Services Division (PSD). PSD calculates the appropriate starting salary and obtains approval for the hire from the OPSB Director and the DBM Secretary. PSD

contacts the candidate and makes an informal offer. PSD develops a Formal Offer Packet and mails it to the candidate. Once they receive the candidate's acceptance letter, PSD starts the Hire Process.

b. **Hire –** A PSD Tech schedules the new employee for orientation on the employee's start date. PSD sends notifications out for phone setup, IT Network setup, and initial payroll setup. The new employee starts work, attends orientation and obtains a State ID Badge. The new employee is setup on the MDTime timekeeping system.

c. **Probation –** There are four triggering events that can initiate the probationary process. They are Competitive Promotion, Re-instatement (more than 1 year from separation), Contractual Conversion, or Initial New Hire. During orientation, the supervisor will review the probationary guidelines with the employee and complete a Probation Evaluation form. The employee is given a 90 day review by the supervisor and they update the Probation Evaluation form. The employee is given a 6 month review in which the State can release the employee from probation, place the employee on an extended probation, or terminate the employee from State service. The supervisor updates the Probation Evaluation form to reflect the decision from the 6 month review. If the employee is terminated, PSD will complete the termination letter and notify the employee of their appeal rights. If the probation was a result of a promotion and if the employee's performance is not satisfactory, the employee returns to their previous position, if available. If their previous position is not available, the employee is demoted to their previous Grade/Step and assigned to another appropriate position within the original Agency.

B. Future State Vision

1. Process Improvement Recommendations

We have identified several requirements for this process that will help increase the effectiveness and efficiency of the Recruitment and Examination processes. These requirements are:

- Provide one integrated system and database that all agencies will utilize for R & E functions
- Provide Web based applicant self service for entering applications, and inquiry into application status
- Automated workflow to control the routing and approval path of all recruitment related transactions to shorten the time to effect recruitments in the system
- Automated generation of all required applicant notifications (Qualification Letters, Disapproval Letters, Approval Letters, Interview Requests, Offer Letters, etc.) in electronic form, or printed
- Automated applicant tracking throughout the entire recruitment process
- Ability to create and randomize eligibility lists and provide secured access to the lists, this eliminates the need to post eligibility lists on a secured website
- Capture all applicant, interview and hiring information for analysis and statistical reporting
- Ability to generate customized views of data for inquiry and reporting requirements
- Replace all of the testing functionality currently performed in Sigma
- Provide a repository for approved test questions for use when creating/modifying tests

- Provide the ability to automatically add points to test scores for: residence, military, prior State service, etc.
- Provide the ability to perform web based online testing

Timekeeping

A. Current State Processes

1. Overview

The State of Maryland has developed and installed several timekeeping applications throughout the State Agencies. Each timekeeping application provides some or all of the State's timekeeping requirements. Our intent is to consolidate the processes and requirements of these timekeeping applications to provide the requirements for all State Agencies. The following is a representative sample of the timekeeping applications installed for the state:

a. **TESS** - performs time entry, labor distribution, leave accounting functions. Employees utilize printed timesheets to record their hours and leave and forward these sheets to their supervisor for review and approval. Approved timesheets are sent to the timekeeper for validation and entry into TESS. TESS provides Pay Hours Reports for entry into the Central Payroll Bureau's system for exception and positive time reporting for regular and contractual employees. Approximately 3,600 employees use TESS.

b. **MDTIME -** performs on-line time entry and leave accounting functions. The system provides Pay Hours Reports for entry into the Central Payroll Bureau's system for regular and contractual employees. MDTIME is currently installed in 4 Agencies with approximately 2,000 employees using the system. There are twenty more Agencies in the implementation queue for MDTIME. There are two major enhancements scheduled for MDTIME: adding new employee types and labor distribution processing.

c. **LAS -** performs time entry and leave accounting functions. The system automates the exception and positive time reporting process for regular and contractual employees, and generates input reports for Central Payroll. Twenty-on agencies and approximately 23,000 employees use the LAS system.

Other state agencies that have timekeeping systems that bear mentioning are:

- **DHMH** – uses a mainframe based timekeeping system for approximately 10,000 employees. The system is very robust with many detail functions available. The system has manual timesheets with centralized timekeepers that enter data into the system from remote sites.
- **DHR** – has 25 entities with approximately 7,000 employees. They consist of 23 county and Baltimore City offices and DHR Headquarters. Twenty-two counties use

a custom system that DHR developed. One county, Baltimore City and their DHR headquarters uses the LAS system.

- **DPSCS** – DPSCS headquarters uses the LAS system. Because computers are not allowed in the secured prison areas, prison personnel complete manual timesheets. DPSCS has approximately 7,000 employees using their system. Manual timesheets are used as input to Exception Time Reporting (ETR) for CPB.

2. Roles and Responsibilities

The State of Maryland has developed and installed timekeeping applications throughout the State Agencies that provide varying amounts of the State's overall timekeeping functionality. The following is an inclusive list of that functionality:

a. **System Administrator** functions allow the administrator to tailor the system to meet the requirements of a specified Agency. System tailoring options include:
- Setup Agency identification information
- Setup e-mail settings to determine how and when e-mail alerts or notifications are to be sent
- Restrict access to salary and financial information
- Setup security level access for administrators, leave administrators, supervisors, and employees
- Setup login security options for user-ids and passwords
- Setup timesheet, leave and overtime settings for initial requests and approvals
- Setup negative balance settings for leave (allowed, warning, not allowed)
- Ability to turn leave cascading on or off
- Setup reporting options for sorting, totaling, and presentation

b. **Leave Administrators** have the ability to setup, maintain and execute the following:
- Maintain master data for employees, employee types, state holidays, pay periods, supervisor groups and alternate supervisors, work locations, reason codes, cost codes, and leave codes
- Review and approve outstanding timesheets
- Perform employee balance adjustments
- Execute period closing and request closing reports
- Execute year end closing, leave balance transfers, lost leave, and grant leave functions

c. **Supervisors/Timekeepers** have the ability to perform the following:
- View all employees in their group and their alternate groups
- View approved, pending, and missing timesheets for their group and their alternate groups
- View missing documentation for their group and their alternate groups
- View leave requests for their group and their alternate groups
- Approve or reject leave requests for their group and their alternate groups
- Approve or reject timesheets for their group and their alternate groups

- Submit timesheets for their group and their alternate groups
- Manually approve or reject requested timesheet adjustments for their group and their alternate groups
- Manually enter and approve timesheets for employees that use manual timesheets

d. **Employees** have the ability to perform the following:
- Setup and maintain their own work schedule
- View their current timesheet with leave balances
- Enter hours worked, work location, and cost code (hours worked can be broken down into as many lines as necessary to record the actual start and stop times worked)
- Enter leave hours taken with corresponding leave codes
- View all their own timesheet history with hours worked, leave taken, and leave balances
- Enter their own leave requests
- Submit their timesheet for processing
- Some employees enter their hours and leave on manual timesheets. At the end of the pay period these employees sign their timesheets and submit the signed timesheet to their supervisor for review and approval.

3. Other Timekeeping Processes

The other timekeeping processes are:

a. **Timesheets** - In most of the systems, the timekeeper enters hours worked and leave hours and the system performs edits as they key the timesheet data. In MDTIME the employee enters their own timesheet hours worked and leave hours, and the edits are performed as they enter the timesheet data. The timesheet entry programs perform all necessary edits for time entry including:
- Rounding all hours to the nearest tenth of an hour (6 minute increments – 3 minutes or less round down, 4 minutes or more round up)
- Verifying hours and leave entered each day equals scheduled hours
- Verifying leave hours and codes entered to available leave balances
- Calculating overtime and comp hours and rate earned based on employee type, schedule, and specified rules
- Cascading leave based on specific agency requirements (if turned on)
- On timesheet submission, calculating and crediting accrued sick leave and annual leave pro-rated based on scheduled hours and employees length of service
- On timesheet submission, generating timesheet for next pay period
- On timesheet submission, calculating and updating accrued sick and annual leave for next pay period
- Performing all other edits necessary based on the state/agency rules

b. **Period Close** processing includes:
- Verifying that all timesheets have been submitted
- Submitting any outstanding timesheets

- Generating all period closing reports
- Identifying and entering any necessary timesheet corrections
- Generating Final Period Close reports
- Providing a Pay Hours Report to calculate pay exceptions that will be used for manual entry into payroll.
- Generating labor distribution (labor hours by code and employee) interface for agencies financial reporting
- Initializing the new pay period so it is ready for timesheet input

c. **Reporting** - capabilities vary between timekeeping systems throughout the state. In MDTIME, we have automated all reporting capabilities as user requested reports, or we generate reports within the period or year end closing processes. In other systems, we automated many of the reports and we generate a small portion of them manually.

B. Future State Vision

1. Process Improvement Recommendations

We want any new online Timekeeping System to provide us with employee self service for time and attendance, and leave accounting. It must also provide labor distribution reporting for input to our accounting and finance systems and provide payroll reporting for positive and exception time reporting. The Timekeeping System will allow the state to take advantage of the following improvements/functions:

- Provide for multiple user types and security access levels that allow agencies to assign responsibilities to specific user types. User types for the system should include system administrators, leave administrators, supervisors, and employees.
- The system will be configurable so system administrators can tailor the system to meet the needs of their Agency.
- The system will provide e-mail alerts or notifications that we can send, as necessary.
- Time and attendance functions will be fully automated and employee information will remain current throughout the process. State employees need the ability to access the timekeeping system from beyond our network for timesheet entry when employees are offsite.
- Employees will maintain their own work schedules and enter their hours worked, leave requests and leave taken, and submit their completed Timesheets for approval according to pay period schedules.
- Employees will be able to view up-to-date available leave balances.
- The system will provide the ability to print manual timesheets for recording time and attendance. We can then send these manual timesheets to a supervisor or timekeeper for entry into the system. In some agencies, there can and will be a time lag as much as a full pay period before Time and Attendance data is entered into the system.
- The system will enforce and manage the State's rules for time and attendance reporting, including cascading leave balances.
- We will develop and manage the State's business rules for leave accounting in the system ensuring consistency across the Agencies.

- System security measures will limit an employee's access to records and fields that they may view with limits on what information they will be able to change and what fields will be read-only.
- We will use workflow for quick turnaround on employee leave requests and approvals. Once an employee makes a leave request or enters their time worked. The system will notify the approver.
- The system will provide the ability to retrieve yearly leave usage information from all Agencies for consolidated reporting requirements.
- Supervisors or timekeepers have the responsibility to manager the information entered by their subordinates. Supervisors are also assigned as backups or Alternates for other supervisors in their area. As an Alternate, they perform these same duties for their alternate employee groups.
- The employee will create timesheets in the new system as part of the Timesheet submission process and will utilize the employee's work schedule to pre-load standard daily work hours.
- The system will provide Period Close processing to verify that all timesheets are submitted and approved, generate period close reports, and initialize the next pay period for timesheet entry.
- The system will provide Year End Close processing to perform processing that closes out the current year, initializes the new year, and determines the rollover/loss of leave balances based on the State's rules and regulations regarding leave carry over.