

**Committee on Public Services**  
**Testimony of Milou Carolan, Director, DC Office of Personnel**  
**May 31, 2001**

Councilmember Catania and members of the Public Service Committee, thank you for providing me the opportunity to testify today on services for employees of the former Public Benefit Corporation (PBC). My name is Milou Carolan, Director of the DC Office of Personnel, and I am here to address the human resource questions you posed to Dr. Ivan Walks in advance of this hearing.

Outreach to employees of the former PBC is a team effort of several District agencies, including the Human Resources Division of DC General Hospital, the Department of Employment Services, the Office of Labor Relations and Collective Bargaining, the Office of Pay and Retirement, the Office of Mission Support in the Office of the Chief Financial Officer, the Department of Health, the Office of the Corporation Counsel, and the DC Office of Personnel. Together, we are hard at work providing a variety of services and assistance for employees of the hospital and the clinics. Today you will hear testimony from two members of the team, the DC Office of Personnel and the Department of Employment Services.

When the PBC was dissolved on April 30, 2001, its employees came back under the personnel authority of the Mayor. Until that date, the PBC had independent personnel authority, and had only partially implemented new personnel rules to replace the District Personnel Manual, the regulations that most District agencies (like the Mayor's agencies and the Council) follow. As a result, the employees had many benefits (like leave, retirement and health benefits) that mirrored most other District agencies, including the Department of Health.

Employees of the former PBC fall into three general categories:

1. At-will employees under the authority of the Office of the Chief Financial Officer (approximately 40 employees)
2. At-will supervisory and managerial employees, also known as "Excepted Service" employees, who each have employment agreements or contracts and are not part of the career service (approximately 200 employees)
3. Employees who are still part of the "Career Service," the merit-based civil service system, who are represented by 8 of union locals (nearly 1,400 employees)

When the PBC was dissolved, the Financial Authority ordered that employees would become part of the Department of Health while maintaining the benefits they had as PBC employees. Fortunately, the only significant difference between PBC benefits and those that exist for Department of Health employees is the level of separation payments permitted for the PBC's Excepted Service staff (managers and supervisors).

As you may know, agencies that follow the Comprehensive Merit Personnel Act (CMPA) rules (such as the Mayor's agencies and the Council) limit the amount of separation pay an Excepted

Service appointee can receive. CMPA rules allow up to one month of separation pay if terminated within one year and up to three months if terminated after one year.

The PBC had independent personnel authority, however, and its management entered into employment agreements that usually provide three months of separation pay for Excepted Service employees who were hired by the District government on or after October 1, 1987, and six months of separation pay for employees who were hired prior to October 1, 1987. This is the most significant example of a PBC-only benefit that employees in that category retain although they are now under the Mayor's personnel authority.

Before I respond to the specific human resource questions you posed in your letter to Dr. Walks, I would like to summarize each agency's role on the Human Resources Transition Team:

**Human Resource Division, DC General Hospital and Clinics** – The 25-person Human Resources Division is located at the Hospital and has remained intact to provide information services and benefits counseling to employees, handle day-to-day HR issues, assist with job fairs, prepare the reduction-in-force and termination letters for employees, provide data in response to union requests for information, process all separation paperwork, and transition all employee records.

**Department of Employment Services (DOES)** – DOES provides leadership in employee transition services, including job fair planning, staffing the on-site resource center for job seekers, providing training and retraining resources, and offering career planning and career counseling services. DOES' testimony provides more detailed information about their work.

**Office of Labor Relations and Collective Bargaining** – This agency serves as the primary liaison with the hospitals' and clinics' eight labor union locals and represents management in impact and effect bargaining as well as resolving outstanding labor issues (grievances, unfair labor practice complaints, etc.).

**Mission Support of the Office of the Chief Financial Officer (OCFO)** – The OCFO provides HR services for employees under the authority of the OCFO, including benefits counseling and redeployment assistance.

**DC Office of Personnel (DCOP)** – DCOP assists the Human Resource Division of the former PBC and DOES with employee outreach/information activities such as the Reduction-in-Force Seminars and the job fairs. DCOP also provides leadership in DC government redeployment efforts (the Agency Reemployment Priority Program in DOH and the Displaced Employment Program in the rest of the government).

**Office of Pay and Retirement in the OCFO** – This office assists with processing of separation paperwork and is responsible for production of severance payments, retirement enrollment, and leave payments.

**Office of the Corporation Counsel (OCC)** – OCC provides legal advice and counsel to all parties.

**Department of Health (DOH)** – DOH is taking a leadership role in the daily management of the hospital and clinics, establishing of the oversight structure for new healthcare delivery system, and redeployment of employees in vacant Department of Health positions.

Since May 1, the HR Transition Team has accomplished the following:

- Held eight information seminars attended by approximately 1,000 employees to discuss benefits and transition services
- Disseminated various fact sheets on benefits and transition services available to employees
- Planned five job fairs, to be held at the Hospital May 24<sup>th</sup> and 31<sup>st</sup>, RFK Stadium June 4<sup>th</sup> and 5<sup>th</sup>, and the DC Armory on June 13<sup>th</sup>, to help match employees to jobs in the government or with other organizations
- Provided transition services through DOES' Employee Resource Center (which is located at DC General Hospital) and is this week moving to expanded space on the first floor of the hospital
- Provided one-on-one employee benefits counseling with the Hospital's Human Resource Division staff
- Begun registering employees for the District's Agency Reemployment Priority Program and Displaced Employment Program (registration requires that an employee submit an up-to-date DC job application).

The responses to your specific questions are enclosed with my testimony, along with other exhibits. Thank you for the opportunity to testify today; I would be happy to respond to any additional questions that you may have.