Massachusetts Bay Transportation Authority

Workforce Thread Update

Follow-ups to FMCB

October 5, 2015

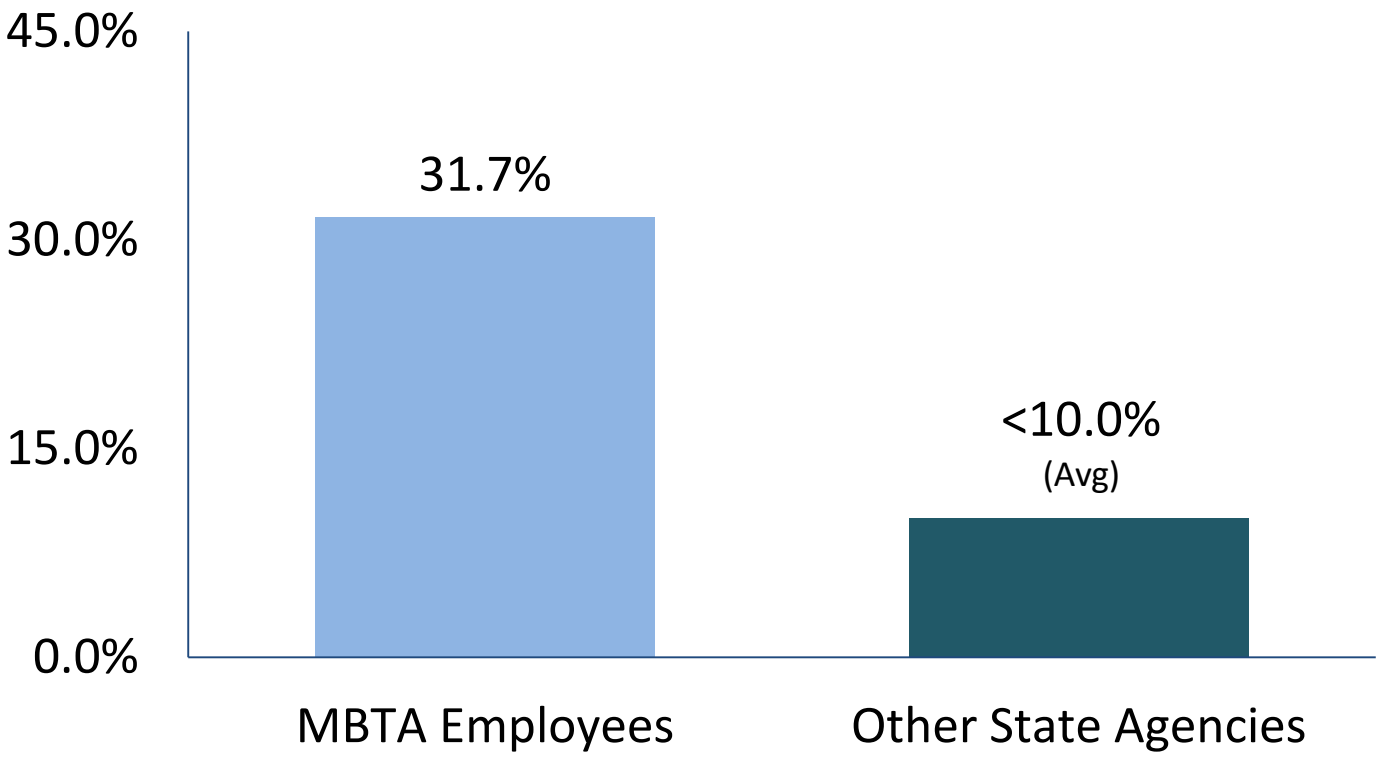
massDOT
Massachusetts Department of Transportation

Contents

- **FMLA process update**
  - Current FMLA certification rates and comparisons
  - Absence management program update
- **Overtime utilization and cost factors**
  - Absence driven overtime: Bus Operator example
  - Non-absence overtime: Non-Budgeted work example
- **Capital employee transfer detail**
- **HR technology overview**

31.7% of the MBTA Workforce Is Actively Certified for FMLA

% of Employees FMLA Certified as of End of FY15

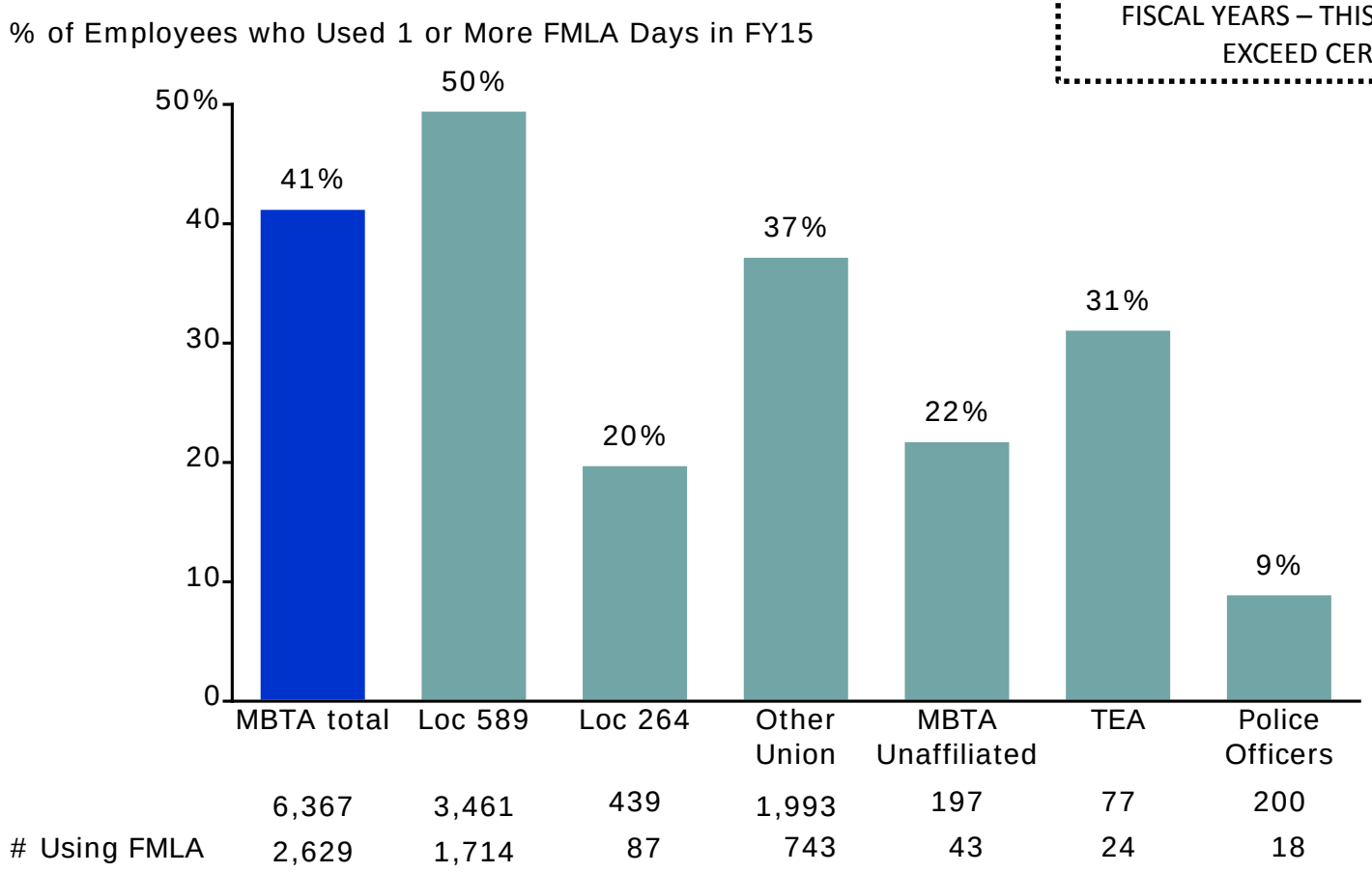


Note: Based on MBTA discussions with 4 other state agencies

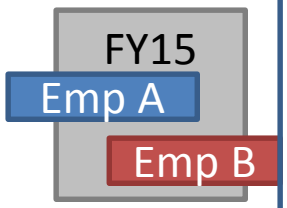
41% of MBTA Employees Used FMLA in FY15

FMLA USAGE – FY15

NOTE: EMPLOYEE LEAVE YEARS CAN STRADDLE FISCAL YEARS – THIS IS WHY USAGE CAN EXCEED CERTIFICATIONS



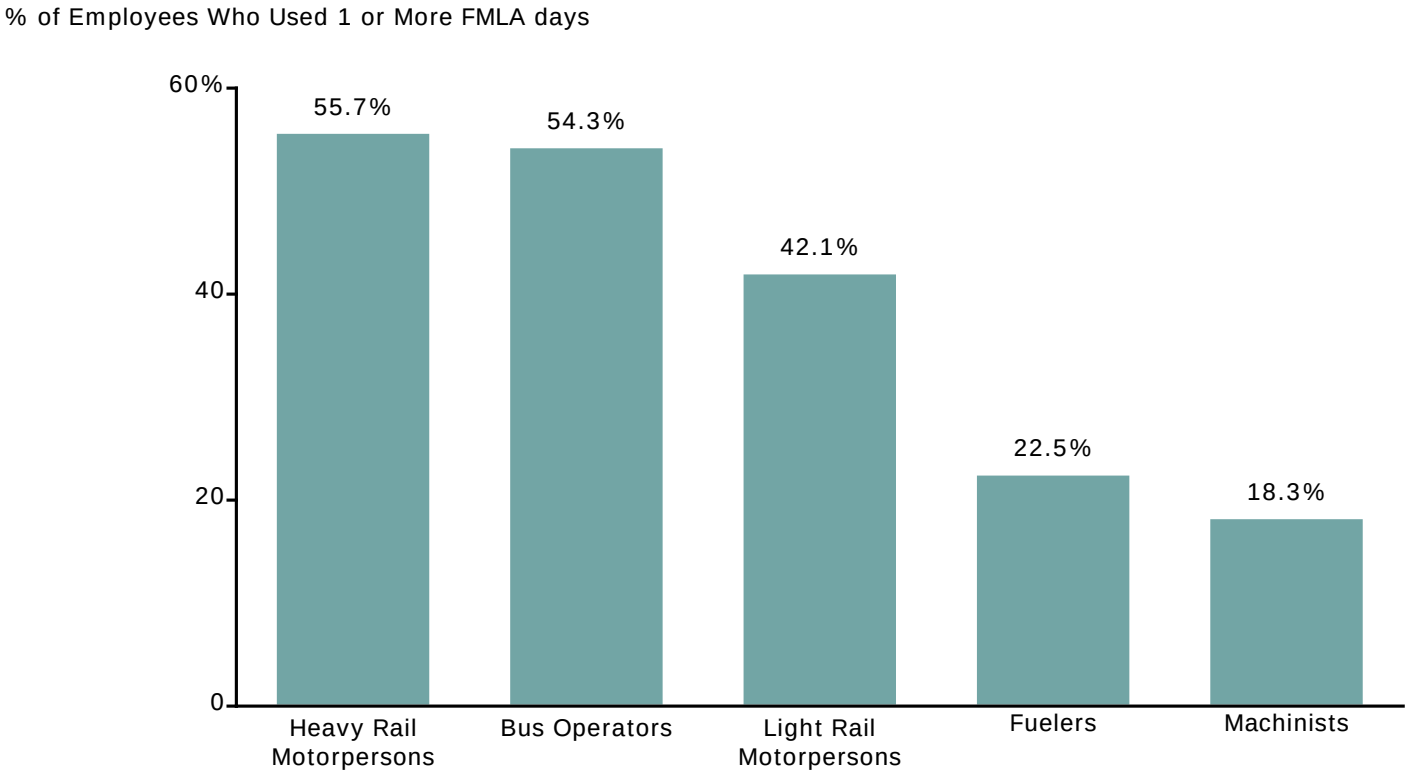
Reason for Difference:
An employee's FMLA Leave Year does not match Fiscal Year period



Source: Internal MBTA data

FMLA Usage Varies Across MBTA Job Classifications

FMLA USAGE BY JOB CLASSIFICATION – FY15



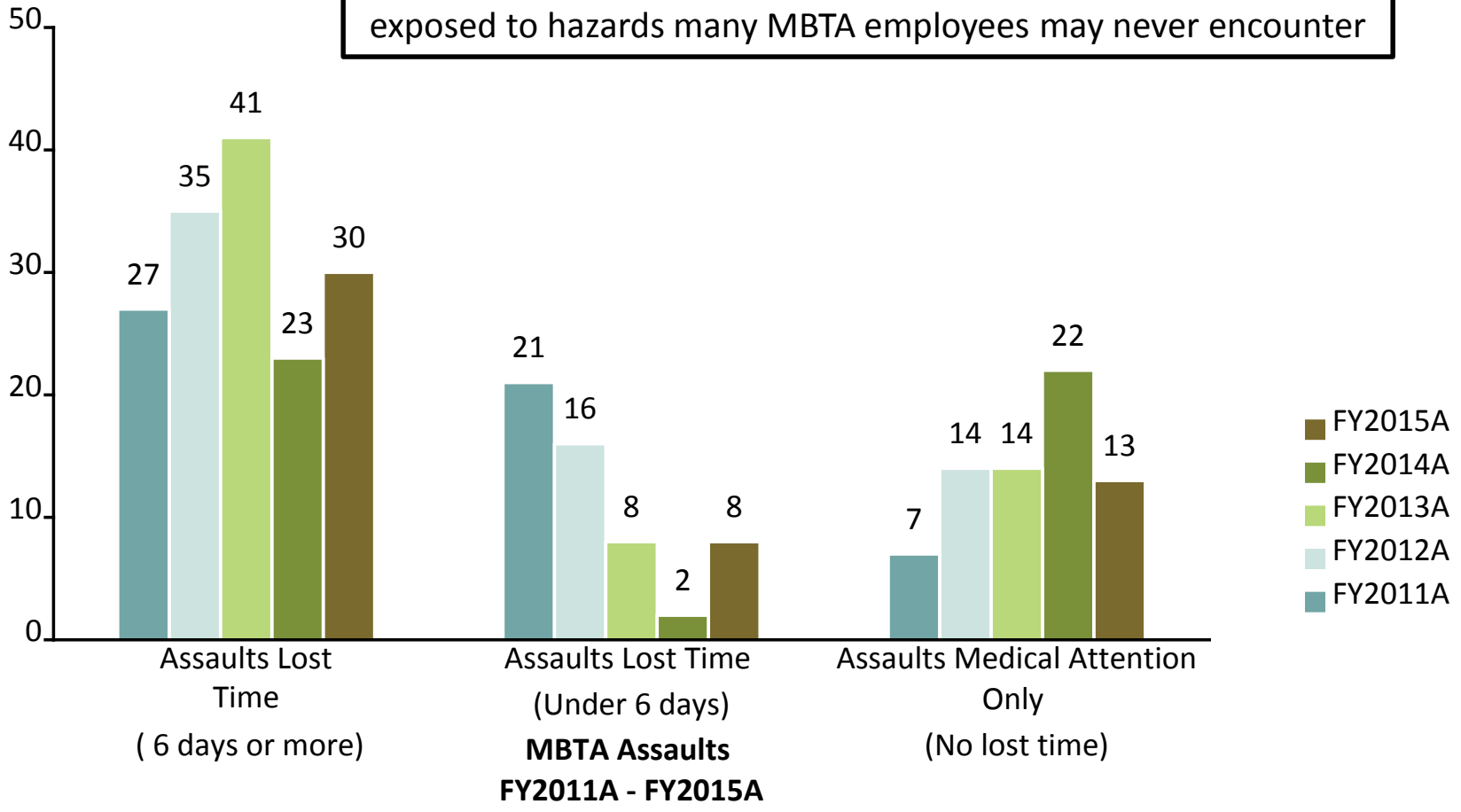
	Heavy Rail Motorpersons	Bus Operators	Light Rail Motorpersons	Fuelers	Machinists
Employee Count	280	1,740	504	71	388
# Using FMLA	156	945	212	16	71

Source: Internal MBTA data

Assaults on MBTA Operators
FY2011A – FY2015A

Massachusetts Bay Transportation Authority

MBTA Operators work in a challenging environment and are exposed to hazards many MBTA employees may never encounter



Source: Internal MBTA data

Absence Management Program Overview

Met with LMC and began audit process

September

- Conducted baseline internal interviews
- Marshalling existing internal resources to support new absenteeism approach

October

- Augmenting staffing
- Revising policies
- Drafting & implementing procedures
- Developing training program

October-November

- Audit 2000+ FMLA certifications
- Conduct training for 700+ employees

Stake Holder Engagement Program

- MBTA management is focused on engaging internal and external stakeholders to address the absenteeism and misuse of FMLA
- Meetings concerning hiring, training, and policy development undertaken across the organization are ongoing
- MBTA Management has initiated and has ongoing discussions with the represented workforce leadership (L589, L264, L453 to date)

Contents

- **FMLA process update**
  - Current FMLA certification rates and comparisons
  - Absence management program update
- **Overtime utilization and cost factors**
  - Absence driven overtime: Bus Operator example
  - Non-absence overtime: Non-Budgeted work example
- **Capital employee transfer detail**
- **HR technology overview**

Full Time vs. Part Time Bus Operator Comparison

Part-Time (380 Operators)

6 hr day/30 hr wk

Mostly split shifts covering AM/PM peaks

Generally Not OT eligible

6 Holidays (<24 hrs/wk)

Fringe 49.81%

Hired entry

64 months to Max Pay Rate

Full-Time (1,331 Operators)

8 hr day/40 hr wk

Straight Shifts (All hours)

OT after 8hrs/day

12 Holidays

Fringe 49.81%

Promotional entry

48 months to Max Pay Rate

Draft for Discussion & Policy Purposes Only

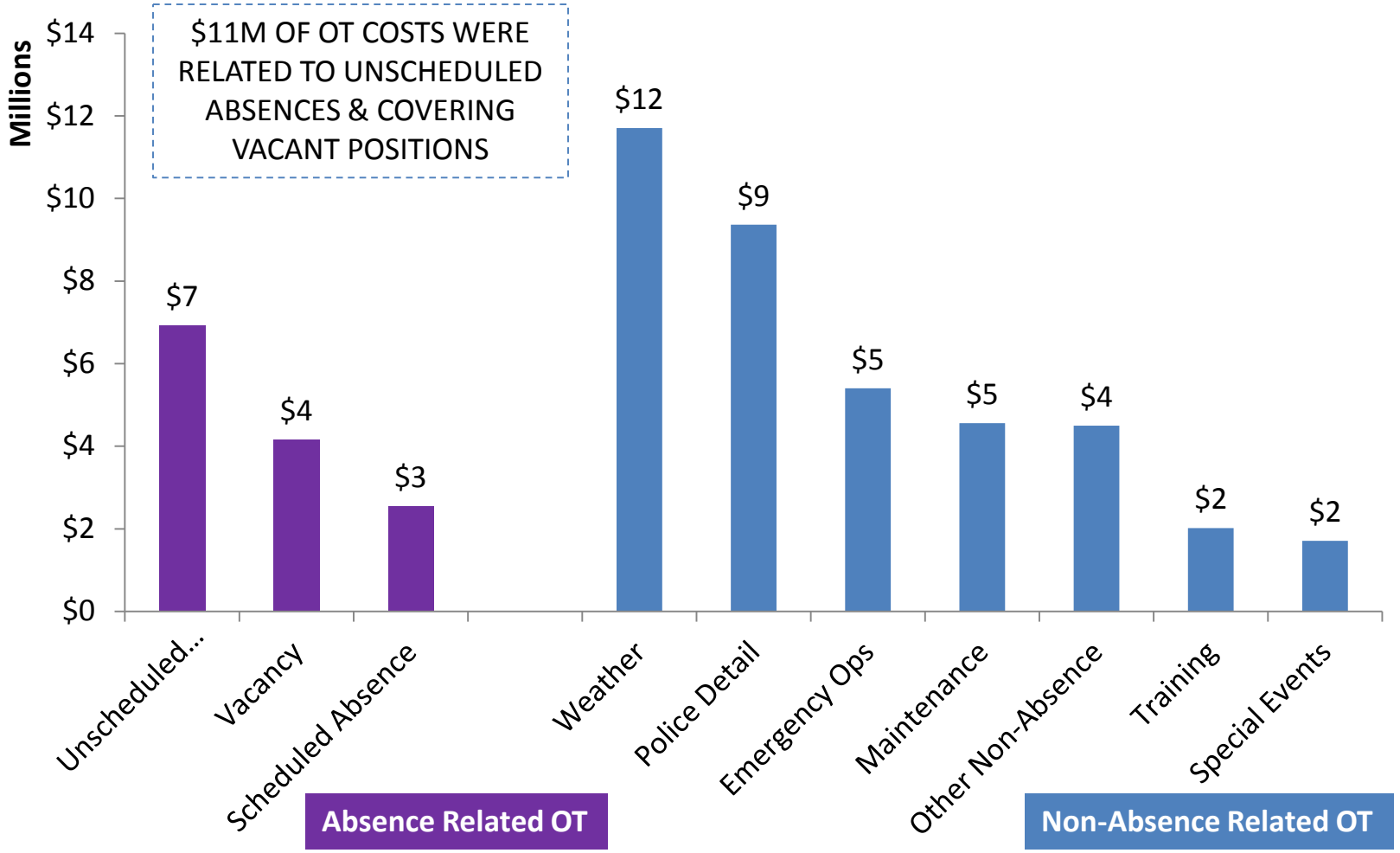
Massachusetts Bay Transportation Authority

Potential Ways to Reduce Overtime Expenses

- There are multiple ways to potentially address overtime expenses associated with scheduled and unscheduled absences, vacancies, and unbudgeted work (e.g. special events, police details, emergency services)
- Potential approaches include a combination of:
  - Determine Optimal Number of Part time Employees
  - Fill Vacant Full time Employees Positions
  - Modify Overtime Eligibility Rules
  - Modify Service Plan

$14M of the Total $53M FY15 Overtime Spend Driven By Vacancies and Absence-Related OT

Massachusetts Bay Transportation Authority



We could have saved on FY15 Bus Operator overtime by hiring more Part-time Employees

Massachusetts Bay Transportation Authority

In FY15, we needed to cover 99,596 hours of bus operators overtime due to absences

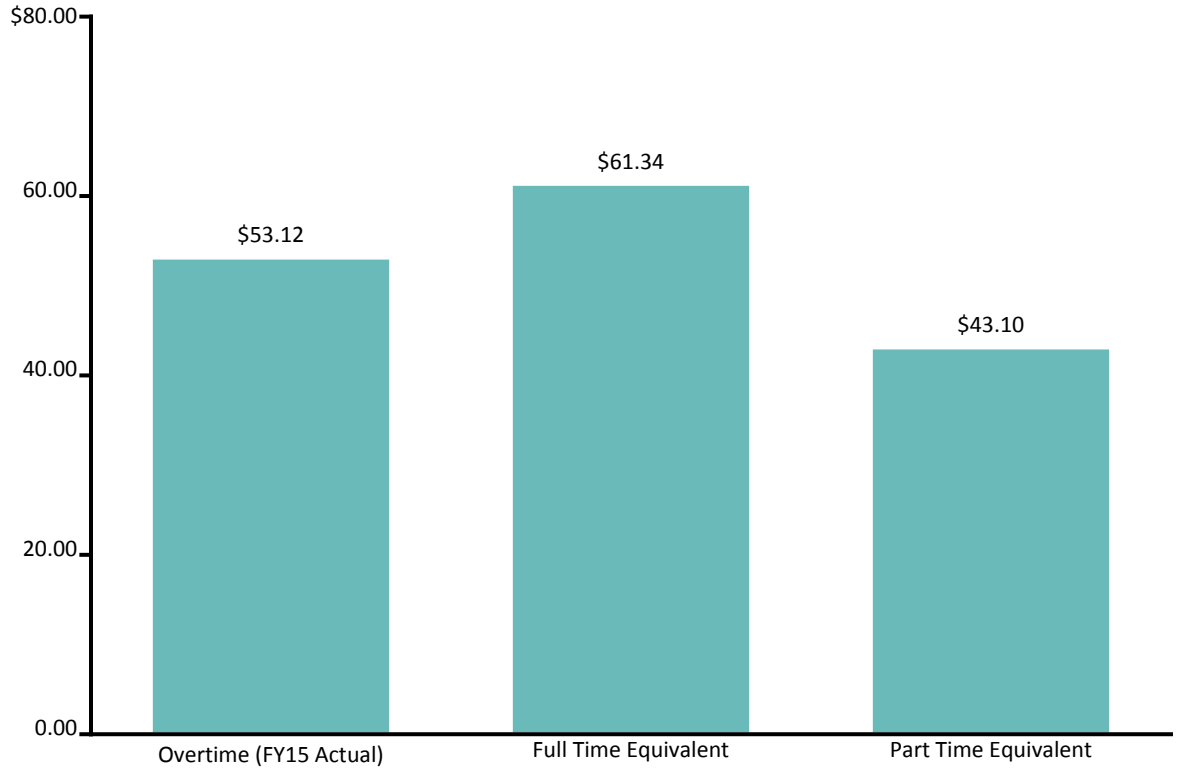
We paid overtime to cover this	We could have hired 58 FTE's to cover this work…	…or we could instead have hired 72 PTE's
$53 / hour	58 FTE's (each working 1728[1] hours / year)	72 PTE's (each working 1392[2] hours / year)
x	x	x
99,596 hours	$106,000 per person[3]	$60,000 per person[3]
$5.3M overtime cost	**$6.1M additional personnel cost** A **net loss**, which would not make sense to pursue	**$4.3M additional personnel cost** A **net savings of $1.0M** relative to the overtime we paid

1 216 days (after accounting for vacation, etc.) at 8 hours per day
2 232 days (after accounting for vacation, etc.) at 6 hours per day
3 Includes regular wages, all fringe benefits, FICA, a

Effective cost per hour for Overtime, Full-Time and Part-Time Bus Operators

Massachusetts Bay Transportation Authority

Fully-loaded cost per hour - Bus Operators



Work hours per year	99,596	1,728	1,392
Cost per year	$5,290,552	$106,000	$60,000

Contents

- **FMLA process update**
  - Current FMLA certification rates and comparisons
  - Absence management program update
- **Overtime utilization and cost factors**
  - Absence driven overtime: Bus Operator example
  - Non-absence overtime: Non-Budgeted work example
- **Capital employee transfer detail**
- **HR technology overview**

Capital Employee Transfer Overview

- In FY2015A, MassDOT completed the transfer of all its capital employees onto the operating budget
- The MBTA currently has 532 employees on the capital budget and plans to move all of them onto the operating budget by FY2020P at full run rate cost of $88M

Department	FY 2017P		FY 2018P		FY 2019P		FY 2020P	
	Count	Salary	Count	Salary	Count	Salary	Count	Salary
Engineering & Maintenance								
Maintenance of Way	122	$16,031,669	122	$16,432,461	122	$16,432,461	122	$16,432,461
Signals & Communications	53	$9,626,984	53	$9,867,659	53	$9,867,659	53	$9,867,659
Power Systems Maintenance	24	$6,397,125	24	$6,557,053	24	$6,557,053	24	$6,557,053
First year total	**199**	**$32,055,778**	**199**	**$32,857,172**	**199**	**$32,857,172**	**199**	**$32,857,172**
Rail Maintenance			73	$5,792,148	73	$5,792,148	73	$5,792,148
Everett Vehicle Engineering			40	$3,343,872	40	$3,343,872	40	$3,343,872
Second year total			**312**	**$41,993,192**	**312**	**$41,993,192**	**312**	**$41,993,192**
Everett Vehicle Engineering					220	$25,890,834	220	$25,890,834
Third year total					**532**	**$67,884,026**	**532**	**$67,884,026**
Estimated Cost of Additinoal Associated Capital Projects		$20,000,000		$20,000,000		$20,000,000		$20,000,000
Full run rate cost		**$52,055,778**		**$61,993,192**		**$87,884,026**		**$87,884,026**

Total of 532 capital employees slated to be transferred to capital budget by FY20P

Full run rate cost of moving FTEs from the capital to operating budget is $88M

Draft for Discussion & Policy Purposes Only

Contents

- **FMLA process update**
  - Current FMLA certification rates and comparisons
  - Absence management program update
- **Overtime utilization and cost factors**
  - Absence driven overtime: Bus Operator example
  - Non-absence overtime: Non-Budgeted work example
- **Capital employee transfer detail**
- **HR technology overview**

Massachusetts Bay Transportation Authority

The primary MBTA Human Capital Management System, PeopleSoft, is nearing the end of its life

Background	▪ PeopleSoft HCMS business process management software enables HR to automate back office functions including hiring, payroll, and employee benefits. ▪ HCMS was implemented in 1999 and last upgraded in 2006
Challenges	▪ PeopleSoft (v8.9) past end of life support from the vendor(Oracle) and requires $12M to re-engineer business processes, upgrade software, and integrate with supporting systems. ▪ Challenge: Several departmental human capital systems will require complex data integration to complete re-engineering.

Draft for Discussion & Policy Purposes Only

In addition to PeopleSoft, the MBTA maintains 14 disparate human capital management systems[1]

Massachusetts Bay Transportation Authority

System	Description	Install year	Status
HCMS	Human Capital Management System. System of record for HR.	1999	
TKS	Time keeping system for attendance	1998	
Attend	Leave and Absence Management	2004	
PICK	Transportation personal scheduling system	1990	
SLAC	Sick Leave administration (FMLA)	1998	
PCSU	Transportation personal schedule change system	2007	
CASTER	Managing Scheduling and Appointments for Clinic	1997	
Time clock	Palm scanning / biometric attendance system for Maintenance area	2004*	
Roster	Random drug testing system for Clinic	1995*	
NeoGov	Recruitment system	2014	
Labor Soft	Labor discipline and grievance administration	2015	
IndustrySafe	Safety incidents tracking system	2013	
MBTA 360	Data warehouse - Reporting and Analytics system	2014	
TRACS	TRACS integration with PeopleSoft. Retired old system	2015	
DORMS	Daily Operations and Scheduling system – In development	2016	

- Supported or Recently Implemented
- Currently Worked On or Delayed
- Out of Support

- Systems are largely not integrated and don't link to a common data source
- Plans are being identified to modernize and integrate these systems
  - We estimate it will cost ~$12M to bring integrate and upgrade the systems
  - We should not underestimate the organizational and change management challenges associated with upgrading these systems

TRACS integration to PeopleSoft is completed

[1] *This addresses only the software used for HR / Human Capital Management*

Draft for Discussion & Policy Purposes Only