

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
BOARD ACTION SUMMARY

DEPT: Chief Executive Office

BOARD AGENDA #: \*B-4

AGENDA DATE: December 5, 2017

**SUBJECT:**

Approval of Revised Salary Compensation Policy Including Starting Salary Above the Mid-Point of the Salary Band

**BOARD ACTION AS FOLLOWS:**

No. 2017-677

On motion of Supervisor Withrow, Seconded by Supervisor Olsen

and approved by the following vote,

Ayes: Supervisors: Olsen, Withrow, Monteith, DeMartini, and Chairman Chiesa

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1)  Approved as recommended


2)  Denied

3)  Approved as amended

4)  Other:

MOTION:

ATTEST:

  
ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
AGENDA ITEM**

DEPT: Chief Executive Office

BOARD AGENDA #: \*B-4

Urgent  Routine

AGENDA DATE: December 5, 2017

CEO CONCURRENCE: *AKT*

4/5 Vote Required: Yes  No

---

**SUBJECT:**

Approval of Revised Salary Compensation Policy Including Starting Salary Above the Mid-Point of the Salary Band

---

**STAFF RECOMMENDATIONS:**

1. Approve the Revised Salary Compensation Policy to authorize the Chief Executive Officer or his/her designee to approve a starting salary above the mid-point of the salary band.
2. Approve the revised Salary Compensation Policy to update the justification criteria and remove benefit and salary history references per Assembly Bill No. 168.

**DISCUSSION:**

The Chief Executive Office Human Resources (HR) Division is reviewing current policies and practices to measure operational efficiencies as part of the rebranding efforts and commitment to creating an environment that attracts, cultivates, and retains a world-class workforce. At the Board of Supervisors' direction, the HR Division has been tasked with streamlining hiring processes as part of this effort. In order to be successful in its rebranding efforts and to support the County's mission statement, it is critical for the County to remain competitive in the local labor market. Within the approved salary structure the County must have an efficient hiring process supportive of offering a competitive starting salary to highly-qualified candidates. This is especially important for those who have applied for hard-to-recruit unclassified positions.

The County is currently operating under two salary plans; a five-step salary system for classified employees and a salary band system for unclassified employees. This Board Item is focused on the salary band system. Other than compliance with Assembly Bill No.168, there are no other requested revisions under the current five-step salary system at this time. The salary band system for Department Heads, Management, and Confidential employees was implemented in 1997 and is a performance-based system of compensation. The current Salary Compensation Policy allows for unclassified employees entering or promoting within the organization to be appointed at a salary up to 25% of the band with a justification memo from the Department Head provided to the Chief Executive Office. Salary appointments at 26% to 50% of the band require advance approval from the Chief Executive Officer. Appointments at more than 51% of the band require advance approval from the Board of Supervisors by way of an Agenda Item prior to the new employee's hire date.

## Approval of Revised Salary Compensation Policy Including Starting Salary Above the Mid-Point of the Salary Band

---

During the past year, the Board of Supervisors received an increase in Department requests to hire prospective employees above the mid-point of the salary band. From January 2017 to October 2017, at least fourteen requests were recommended and approved by the Board, a significant increase from the three submitted in 2016. As a result of ongoing attrition and the current labor market, the County can expect to have a continuing need to fill key unclassified positions and attract experienced leaders to the organization. The existing approval process results in increased staff time associated with department recruitments and delays the date of hire for the candidates being considered for employment.

The Chief Executive Office has completed draft changes to the Salary Compensation Policy to reflect an improved and efficient process no longer requiring Board approval. This process will grant authority for the Chief Executive Officer or designee to review and approve the appointment of candidates above the mid-point with a justification memo from the requesting department.

The County is required to comply with new laws and regulations pertaining to recruitment and hiring practices. On October 12, 2017, the Governor approved Assembly Bill No. 168 which limits the salary information that can be requested by potential employers. Effective January 1, 2018, this legislation states in part that “an employer shall not rely on the salary history information of an applicant for employment as a factor in determining whether to offer employment to an applicant or what salary to offer an applicant” and, “an employer shall not, orally or in writing, personally or through an agent, seek salary history information, including compensation and benefits, about an applicant for employment.” The legislation further states, “If an applicant voluntarily and without prompting discloses salary history information to a prospective employer, nothing in this section shall prohibit that employer from considering or relying on that voluntarily disclosed salary history information in determining the salary for that applicant.” In order to comply with Assembly Bill No. 168, the optional request for salary information on the County’s application template has been removed and the amended and revised policy changes are attached to this item.

The recommended revisions to the County’s Salary Compensation Policy include:

- Advance approval from the Chief Executive Officer, or designee, for a new appointment above the mid-point of the salary band; and
- Amending the five-step and salary band justification criteria by removing the reference to salary history.

With the implementation of the recommended revisions to the Salary Compensation Policy, the following outcomes are anticipated:

- Increased opportunities and flexibility in offering a competitive salary to highly qualified candidates for hard-to-recruit positions;
- Continued candidate interest in the County organization;
- Reduced hiring turnaround time for highly-qualified candidates to begin County employment;
- Improved County Department morale through the ability to fill crucial leadership positions quickly; and
- Compliance with Assembly Bill No. 168.

## Approval of Revised Salary Compensation Policy Including Starting Salary Above the Mid-Point of the Salary Band

---

If this item is approved, future salary requests submitted by County Departments to the Chief Executive Officer, or designee, will be determined using the new policy measures for salary requests above the mid-point of the salary band. The Chief Executive Officer or designee will ensure the County Department's salary request meets policy and is consistent with similar recommendations before approving. If this Item is approved by the Board, the Salary Compensation Policy will be updated in the Personnel Manual and disseminated to all County Departments for implementation.

### **POLICY ISSUE:**

Approval of the proposed policy revisions supports the Board priority of the Efficient Delivery of Public Services by allowing the County to remain competitive in the local labor market and by continuing to foster an environment that attracts, cultivates, and retains a world-class workforce.

### **FISCAL IMPACT:**

There is no fiscal impact associated with this item.

### **BOARD OF SUPERVISORS' PRIORITY:**

This policy supports the Board's priority of the Efficient Delivery of Public Services.

### **STAFFING IMPACT:**

There is no staffing impact associated with this item.

### **CONTACT PERSON:**

Tamara Thomas, Human Resources Director, 209-525-6333

### **ATTACHMENT(S):**

Attachment A – Revised Salary Compensation Policy



## ATTACHMENT A

### STANISLAUS COUNTY PERSONNEL MANUAL SALARY PLAN

Revised December 2017

#### 3.24.010 Administration

The salary plan shall be administered in accordance with this chapter. (Prior code § 2-219 (part)).

#### 3.24.020 New Employees

- A. Except as otherwise provided in this section, new employees shall be appointed at the first step of the salary range in effect for the particular class of position to which the appointment is made. The Personnel Director with concurrence by the Chief Executive Officer upon recommendation of the respective Department Head may, however, provide that a particular position be filled up to the fourth step within the salary range. Fifth step appointments must still require Board approval.
- B. Requests for appointment above the first step shall be channeled through the Personnel Office for review and recommendation by the Personnel Director relative to the proposed compensation to be paid the person in question and shall receive the concurrence of the Chief Executive Officer. Such action, as described in Subsection A of this section, must be completed prior to the effective date of employment of the person in question.
- C. When the Personnel Director with the concurrence of the Chief Executive Officer authorizes the filling of a position at a step which is higher than the first step of the salary range, the Personnel Director may advance incumbents of positions in the same class earning less than the step in the particular salary range at which the new employee enters to the same or a higher step and may also fix new salary anniversary dates for such incumbent employees. (Ordinance CS 373 § § 2-4, 1990: prior code § 2-219(a)).

### SALARY UPON NEW APPOINTMENT

#### Step System

The County Code provides that employees may be hired at a salary above the first step upon approval by the Chief Executive Officer or in the case of 5th step appointments, with the approval of the Board of Supervisors, upon a department head's written recommendation.

- Appointments at the second through fourth step require a justification memo from the Department Head. The justification memo can be completed after appointing the individual but must be completed before the Personnel Action Form is sent to the Human Resources Unit. No advance approval is required if these criteria are met.
- Appointments at the fifth step require advance approval from the Board of Supervisors.

## **Banding**

- New appointments up to the mid-point of the salary level in a banded position require a justification memo from the Department Head. The justification memo can be completed after appointing the individual but must be completed before the Personnel Action Form is sent to the Human Resources Unit. No advance approval is required if these criteria are met.
- Appointments above the mid-point of the band require advance approval from the Chief Executive Officer, or designee. The justification memo must also accompany the Personnel Action Form.

## **JUSTIFICATION REQUIREMENTS – Personnel Regulation**

Appointments above the first step or the minimum of the salary band should be the exception and not the rule, and concurrence/non-concurrence will be based on a review of the **justification memo** submitted by the Department Head addressing the following questions:

1. Why will the candidate not accept the starting salary step/range and benefits package?
2. What is the recommended starting salary, what factors were considered, and is it fair and competitive based on the current labor market?
3. What sets this candidate apart from the other candidates, and what value do you expect the candidate to bring to the organization? Please highlight the candidate's exceptional skills, experience, and education that support the recommended salary.
4. What recruitment challenges were experienced in finding qualified candidates to fill this position?
5. What are the potential impacts to the organization if the recommended salary is not approved and the candidate does not accept the position?

**SALARY UPON NEW APPOINTMENT/PROMOTION**

	<b>BANDING</b>	<b>FIVE STEP SYSTEM</b>
<b>NEW APPOINTMENT</b>	<p>Minimum of Band • Department Head approval.</p> <p>Up to the mid-point of Band • Justification memo from Department Head sent with Personnel Action Form (PAF) after appointment.</p> <p>Above the mid-point of Band • CEO advance approval.</p>	<p><b>First step •</b> Department Head approval.</p> <p><b>Second-Fourth step •</b> Justification memo from Department Head sent with Personnel Action Form (PAF) after appointment.</p> <p><b>Fifth step •</b> BOS approval.</p>
<b>PROMOTION</b>	<p>5% above current salary.</p> <p>The Department Head has discretion for County employees promoting into an initial band or to a new higher level band to use the same guidelines listed above.</p>	<p>5% above current salary, within six (6) cents.</p>