

Management
Classification and
Salary Plan Changes
2016

Appendix A

Management Classification and Salary Plan Changes

Appendix A

CLASSIFICATION AND SALARY PLAN **FOR EXECUTIVE AND MANAGEMENT EMPLOYEES**

SECTION NUMBER AND HEADINGS:

1. CLASSIFICATION AND SALARY PLAN
2. MANAGEMENT CLASSIFICATIONS AND SPECIFICATIONS - LEADERSHIP SERIES
3. COMPENSATION GUIDELINES
4. SALARY SCHEDULES

SECTION 1 CLASSIFICATION AND SALARY PLAN

1. There are hereby established such classifications of unrepresented executive and management employees for the County as are hereinafter set forth in Section 2, of this Resolution, Management Classifications and Specifications - Leadership Series.
2. Salary payable to persons occupying such positions shall be as set forth in Sections 3 and 4 of this Resolution and as provided for by applicable Civil Service Rules.

SECTION 2 MANAGEMENT CLASSIFICATIONS AND SPECIFICATIONS **LEADERSHIP SERIES**

Management Classification Specifications - Leadership Series is hereby established as follows:

The following class descriptions generally apply to each of the following leadership markets: General Management, Executive Management, Attorney/Physician, Fire, Sheriff, and Engineering. As additional leadership markets are defined, the following class descriptions will generally apply. The "Leadership Competencies" separately promulgated by the County Executive Officer (CEO) and Human Resources for the Management Class Specifications - Leadership Series are hereby included within, and incorporated into the following class descriptions and specifications:

Management Classification and Salary Plan Changes

Appendix A

1. *Administrative Leader*

This is a manager who is either new to the management workforce and/or whose assignments primarily consist of high-level, complex, and analytic staff work.

2. *Project/Team Leader*

This is a journey-level leader with journey-level skills and abilities who is responsible for a unit, section, or specific function within a County department OR a manager who is responsible for leading significant projects and project teams. This class may or may not supervise others, including Administrative Leaders.

3. *Program/Business Leader*

This is a senior-level management position reporting to executive management and responsible for a significant division within a department (a division is comprised of multiple sections, units, and/or functions) or for managing a core business or service of the department.

4. *Enterprise Leader*

This is an At Will manager functioning at either the Team/Project Leader or Program/Business Leader levels. These positions are typically responsible for projects, programs, initiatives, or services that have Countywide and/or community wide impact and involve plans and/or decisions of a policy nature and of key importance to the County having a long term impact. These positions may also reside in specific County departments with department-wide responsibilities at a policy-level.

5. *Assistant Departmental Leader – General*

This is an At Will executive position that functions as an Assistant Department Head or a Deputy CEO and reports directly to the Department Head.

6. *Assistant Departmental Leader – Specialized (requiring special licensure/certification)*

This is an At Will executive position that functions as an Assistant Department Head or a Deputy CEO and reports directly to the Department Head

7. *Department/Corporate Leader*

Management Classification and Salary Plan Changes

Appendix A

This class includes appointed and elected senior executive leaders including department heads and Assistant CEOs. Appointed Department/Corporate Leaders are At Will and typically report directly to the CEO and/or the Board of Supervisors.

SECTION 3 – COMPENSATION GUIDELINES

Compensation for managers and appointed executives shall be consistent with the Compensation Guidelines as set forth below:

The salary ranges for such classifications are set forth in the salary schedules in Attachment B. The salary payable to persons occupying positions within each of these classifications shall be consistent with the Management Total Compensation Philosophy and the Total Compensation Strategy set forth below.

Management Classification and Salary Plan Changes

Appendix A

County of Santa Barbara

Total Compensation Definition

Total Rewards is the sum of salary, cash incentives and allowances, benefits and career development opportunities afforded to employees. It is a strategic approach to effectively recruit, retain, motivate, compensate and create a work environment supportive of high performing leaders. Our Total Compensation Program is designed to reflect the importance of employees' salary, benefits, leadership development, and the County's mission and strategic plan.

SBC Total Compensation Program

SBC is committed to a total rewards/compensation strategy inclusive of competitive salary and benefits (including investment in career-related education and training). SBC Total Compensation Program:

- Provides flexibility appropriate for the dynamic challenges facing the County;
- Helps the County compete successfully for diverse candidates with skills, abilities and expertise vital to its mission;
- Establishes pay in consideration of similar public sector service organizations and relevant recruiting markets; and
- Is fiscally responsible
- Enhances employee retention

SBC strives to provide a motivating work environment and encourages senior and executive personal leadership development through on or off the job training and education. As depicted below, Total Compensation encompasses a wide range of rewards to its management, including affiliation with an employer of choice, a job that provides meaningful and rewarding work, a desirable work environment, opportunities for career advancement, competitive pay, benefits and work life balance programs.

Management Classification and Salary Plan Changes

Appendix A



SBC Human Resources is charged with implementation, coordination and administration of the Total Compensation Program.

Compensation

Our management compensation program is governed by the Board of Supervisors and is intended to support each department in attracting, retaining, and rewarding excellent and diverse managers. Program objectives are:

- To establish appropriate salaries for positions on the basis of their relative internal worth and external competitiveness within the relevant labor market;
- To reward excellent performance at all levels within budgetary constraints;
- To ensure pay reflects the contribution, content and complexity of work;
- To establish compensation practices, procedures and guidelines that are consistent, fair, flexible, equitable and transparent for current and future workforce;

Management Classification and Salary Plan Changes

Appendix A

- To establish compensation policy consistent with the allocation of funds entrusted to SBC.

Benefits

SBC designs and delivers an array of programs to provide employees, retirees and dependents with health, retirement, and other benefits to address various life needs. SBC believes employees are best able to contribute to the accomplishment of the County's mission when they are healthy, happy, secure and able to maintain work-life balance. SBC is committed to educating employees about their benefits and assisting them in making informed choices.

Our benefits program:

- Offers an outstanding benefits package that far exceeds many private sector entities;
- Provides flexible options to best meet employees' needs and preferences and are responsive to their life events;
- When legally possible and fiscally prudent, offers benefits that enable employees to take advantage of tax-deferred options;
- Provides information and counseling to help employees make educated decisions about their current benefits and future needs

Numerous factors including, but not limited to, market considerations, fiscal prudence, or regulatory demands may cause SBC to change its compensation and/or benefits practices. Employees should be aware that their benefits may change over time as a result of legislative requirements or SBC Board of Supervisor policy decisions.

Management Classification and Salary Plan Changes

Appendix A

Total Compensation Strategy

The goal of our compensation program is to attract and retain highly qualified and diverse employees within permissible provisions and to be:

- Internally equitable
- Externally competitive
- Fiscally responsible and sustainable
- Legally defensible
- Transparent
- Present and future oriented

Following are the primary areas of consideration when determining compensation:

1. Critical positions having broad based impact
2. Hard to recruit/fill positions that require unique or specialized skills, licensures/certifications and experience, and/or positions with higher than average turnover (retention)
3. Relevant labor market for base and cash benefit salary data
4. Mean and/or median salaries for comparable positions;
5. Industry best practices
6. Commensurate to the classification and work performed
7. The County's desired relationship to the market (+/-10% of mean is considered within market).

SBC will survey the following 9 comparative Counties:

- County of Los Angeles
- County of Marin
- County of Monterey
- County of Orange
- County of San Diego
- County of San Luis Obispo
- County of Santa Cruz
- County of Sonoma
- County of Ventura

However, for hard to fill positions or positions requiring specialized skills such as IT, Skilled Trades, Nurses, Physicians/Psychiatrists, or Engineers the County MAY utilize relevant City and or private sector labor market data to perform compensation studies of comparable positions.

Management Classification and Salary Plan Changes

Appendix A

Total Compensation Strategy Compensation Guidelines

A. Definitions

1. **Promotion** – movement from one class to another that has a higher maximum salary and a higher level of responsibility/authority.
2. **Promotion within Leadership Classification** – movement from one position to another position within the same leadership classification and salary band that has a higher level of responsibility/authority.
3. **Lateral Transfer/Reassignment within Leadership Classification** – movement from one position to another position within the same leadership classification and salary band that has the essentially same level of responsibility and authority.
4. **Temporary Promotion** – Promotion of a manager from his/her current classification to a salary range with a higher maximum salary and higher level responsibilities/authority for a period of time not to exceed 24 months.
5. **Demotion** – Movement to a class with a lower maximum salary and a reduced level of responsibility/authority.
6. **Y-Rate** – A pay rate that exceeds the maximum salary for a class.
7. **Second Quartile +5%** - A designated control point on a salary range which may limit new hire salary offers; salary offers may exceed the 2nd Quartile+5% with CEO approval.
8. **Base-Building Pay Increase** - Salary increases that move an employee's rate of pay upward on a salary range.
9. **Non Base-Building Pay** – Compensation awarded that does not move an employee's rate of pay upward on the salary range (i.e., stipend, lump sum bonus/succession incentive)
10. **Special Project/Assignment Salary** – A differential of 5% to 15% that may be approved by the CEO for a manager being assigned certain special projects or assignments not to exceed 24 months duration.

Management Classification and Salary Plan Changes

Appendix A

Notes:

1. There may be situations in which a supervising manager supervises a manager within the same classification.
2. No employee's salary may be lower than the entry level of the salary range for the class.
3. Unless a Y-rating situation occurs, no employee's salary may exceed the maximum salary for the range to which he/she is allocated.
4. Performance-based compensation may not result in an employee's salary exceeding the maximum salary of the range to which he/she is allocated.

B. Salary on Hire

1. Wherever feasible and practicable, new hire salary will be based on the market relative to internal and external comparisons.
2. Department heads have the authority to hire up to the 2nd Quartile plus 5% on the salary range. Salary offers beyond the 2Q+5% point require HR and CEO approval.
3. Salary offers will be based on total cash compensation and will reflect sound business decisions and be adequate to attract the talent required to provide quality service to the community, without being excessive.
4. All salary offers will take into consideration:
 - a. Special departmental needs
 - b. Economic factors (i.e. unemployment rate, labor market)
 - c. The skills and experience of the candidate
 - d. Internal equity (Countywide salary relationships)
 - e. Budgetary constraints
 - f. Difficulty recruiting/hard to fill

C. Salary on Promotion

1. Wherever feasible and practicable, salary on promotion will be based on the market relative to internal and external comparisons.

Management Classification and Salary Plan Changes

Appendix A

2. Department heads have the authority to promote up to the 2nd quartile plus 5% on the salary range. Salary offers beyond the 2Q+5% point require CEO approval. Increases shall not exceed the top of the range.
3. Salary offers will be based on total cash compensation and will reflect sound business decisions and be adequate to attract the talent required to provide quality service to the community, without being excessive.
4. All salary offers will take into consideration:
 - a. Special departmental needs
 - b. Economic factors (i.e. unemployment rate, labor market)
 - c. The skills and experience of the candidate
 - d. Internal equity (Countywide salary relationships)
 - e. Budgetary constraints
 - f. Difficulty recruiting/hard to fill

The effective date of all promotions, demotions, and within-range salary changes shall coincide with the first day of the pay period coinciding with or following approval of the action.

D. Salary on Promotion Within Leadership Class

1. Wherever feasible and practicable, salary on promotion Within Leadership Class will be based on the market relative to internal and external comparisons.
2. Department heads have the authority to hire up to the 2nd Quartile +5% on the salary range. Salary offers beyond the 2Q+5% require CEO approval. Increases shall not exceed the top of the range.
3. Salary offers will be based on total cash compensation and will reflect sound business decisions and be adequate to attract the talent required to provide quality service to the community, without being excessive.
4. All salary offers will take into consideration:
 - a. Special departmental needs
 - b. Economic factors (i.e. unemployment rate, labor market)
 - c. The skills and experience of the candidate
 - d. Internal equity (Countywide salary relationships)
 - e. Budgetary constraints
 - f. Difficulty recruiting/hard to fill

Management Classification and Salary Plan Changes

Appendix A

The effective date of all promotions, demotions, and within-range salary changes shall coincide with the first day of the pay period coinciding with or following approval of the action.

E. Salary on Temporary Promotion

1. In order to address limited term departmental needs, a department head may temporarily promote a manager to a higher level management position for a maximum of 24 months.
2. A department head may grant a salary increase of 5% to 15% (not to exceed maximum salary of the range) for the duration of the temporary promotion. With appropriate justification and CEO approval, salary increase for a temporary promotion may be more than 15%; however, at the end of the temporary promotion, salary reverts to previous pay plus any usual salary increases that occurred during the period of the temporary promotion. In the event incumbent in the temporary promotion position becomes the permanent incumbent through competitive process, the final promotional salary will be based on the market relative to internal and external comparisons wherever feasible and practical.

F. Salary on Demotion (Disciplinary and Voluntary Demotions)

When an employee is demoted to a class with a lower salary range, the employee's salary will be reduced to any point between the minimum and the anchor point of the range for the lower class which provides for a salary decrease. Upon the recommendation of the department head and the approval of the Human Resources Director, the salary of the employee may be set at any point on the salary range that provides for a decrease in pay.

If an employee is rejected during the probationary period from a position achieved through promotion or if the employee returns to the position by choice, the employee's salary shall be restored as though the promotion had not occurred. Upon recommendation of the appointing authority, the employee may receive any salary adjustment for which employee would have been eligible by having remained in the former position.

The effective date of all demotions shall coincide with the first day of the pay period coinciding with or following approval of the action.

Salary on Leave of Absence

Management Classification and Salary Plan Changes

Appendix A

An employee returning from an authorized leave of absence who was eligible for a salary increase during the leave, shall be reviewed by the department head within sixty (60) calendar days from the employee's return to work. Changes in salary are not effective during a leave but must be effective beginning the pay period following the completion of the review. Changes in salary due to an equity adjustment shall be effective irrespective of leave status.

G. Supervisory (Compaction) Differential

1. At the time a manager assumes ongoing and long-term supervisory responsibilities over subordinate staff in job classifications in the same general profession or occupation as the manager, and the manager meets the employment standards for the subordinate's job classification, a department head may request that the Human Resources Director approve an increase in the manager's salary sufficient to create a 5% differential between the manager and the subordinate.
2. Compaction adjustments will not be triggered by the retention adjustment of a subordinate.
3. There may be situations in which a supervising manager's salary is less than a subordinate staff due to:
 - Performance issues
 - Subordinate staff is Y-rated
 - Subordinate staff profession resides in a different market
 - Subordinate staff received a retention adjustment
4. The differential will take into account applicable elements of compensation where both employees would otherwise be eligible for that compensation (i.e. bilingual skills, licensure, special duty pays, uniform allowances, etc. when they are applicable to both the subordinate and the manager), excluding overtime, call-in, call-back, shift differential, and standby duty pay.

H. General Salary Increases (GSI)

1. General salary increases (GSI) for managers and executives shall mirror the negotiated salary increases for the largest general employee union.
2. The CEO may allocate a percentage of the compensation pool to be used at department head discretion to address Performance-Based Merit (MSI) or

Management Classification and Salary Plan Changes

Appendix A

Equity Salary Increases (ESI) within or across departments in similar management positions.

3. GSI, MSI, ESI adjustments will be effective the pay period in which they are approved and will not be retroactive

I. Merit Salary Increase (MSI)

1. In conjunction with a GSI, the CEO may allocate funds to be used at department head discretion to address Performance based merit adjustment
2. Performance based merit adjustment for managers and executives shall be based on the effective delivery of quality customer service, overall performance, meeting or exceeding organizational goals and objectives, and documented contribution to the organization. The specific increase granted to individual managers will be at the discretion of the department head, but shall not exceed the amount allocated to the department for these performance based salary increases

J. Equity Salary Increase (ESI)

1. In conjunction with a GSI, the CEO may allocate funds to be used at department head discretion to address internal equity.
2. Equity Based Salary increases (ESI) for managers and executives shall be based on internal disparity within the department for that position and external market. Managers receiving an ESI must have effective delivery of quality customer service, overall performance, meeting and exceeding organizational goals and objectives, and documented contribution to the organization. The specific increase granted to individual managers will be at the discretion of the department head, but not to exceed the amount allocated to the department for the equity based salary increases.

K. Market Adjustment

1. Additionally, Human Resources will conduct a total compensation market survey bi-annually, or as warranted, to ensure salary ranges reflect the market. When the market rate of pay increases, Human Resources will recommend to the CEO and Board of Supervisors adjustments to management salary ranges. Upon adoption of adjusted ranges by the Board of Supervisors, the CEO may determine whether it is necessary to increase some or all affected managers'

Management Classification and Salary Plan Changes

Appendix A

salaries at the time range adjustments are approved and may direct Human Resources to implement any changes. The CEO and HR Director may adjust salaries for managers whose salaries are significantly less than the market rate of pay for similar public sector jobs and/or address internal equity issues with peer managers performing comparable work. The CEO and Human Resources Director will identify eligibility criteria and provide departments with the names of eligible managers and the maximum increase available to each individual.

2. Any manager receiving an increase must be in good standing (i.e. satisfactory rating on performance evaluation, etc.)
3. Market/equity adjustments will be effective the pay period in which they are approved and will not be retroactive.
4. Market salary adjustments may occur over a multi-year period based upon funding by the board.

Management Classification and Salary Plan Changes

Appendix A

I. Retention Salary Adjustments

1. When a current manager or executive receives a written bona-fide offer of employment from an external organization and when in the best interests of the County, it is necessary to retain a manager or executive within the organization, the Department Head may recommend and the HR Director in consultation with the CEO may approve a salary adjustment, not to exceed the top of the salary range.

The salary adjustment will consider

- a. Criticality of the position(difficult hard to fill)
- b. Impact to the county and community
- c. Ease of replacement (succession/internal interim appointment)
- d. Internal equity
- e. External market

A retention salary adjustment of a subordinate manager will not trigger a compaction differential for a supervising manager.

L. Retention - Management Longevity Pay

1. Five Years of Service: Employees who have completed five (5) years of consecutive service for the County are eligible to receive a one-time lump sum longevity pay of 1.5% of base salary not to exceed \$2500 minus applicable taxes or 20 hours administrative leave within 12 months of award. The longevity pay will be effective on the first day of the month following the month in which the employee qualifies for the five (5) year service award.
2. Ten Years of Service: Employees who have completed ten (10) consecutive years of service for the County are eligible to receive one-time lump sum longevity of 2.5% of base pay not to exceed \$5000 minus applicable taxes or 32 hours administrative leave to be used within 12 months of award. The longevity pay will be effective on the first day of the month following the month in which the employee qualifies for the ten (10) year service award
3. Fifteen Years of Service: Employees who have completed fifteen (15) consecutive years of service for the County are eligible to receive a one-time lump sum longevity of 5% of base pay not to exceed \$6500 minus applicable taxes or 40 hours administrative leave to be used within 12 months of award. The longevity pay will be effective on the first day of the month following the month in which the employee qualifies for the fifteen (15) year service award.

Management Classification and Salary Plan Changes

Appendix A

Employees receiving longevity pay must be in good standing and have a minimum satisfactory rating on the three most recent performance evaluations preceding the award.

This provision is effective FY 2017/2018 and will not be applied retroactive.

M. Succession Incentive Pay

To provide the CEO and Board of Supervisors adequate time to plan for the replacement of a hard to fill position due to the anticipated retirement of an incumbent in said position, management employees may be eligible to receive a one-time lump sum succession incentive pay of 5% base pay not to exceed \$10,000 minus applicable taxes upon 12 months written notification of intent to retire. The CEO and Human Resources will establish eligibility criteria. Upon approval of succession incentive pay, incumbent may be required to perform special duties in addition to regular duties during the 12 months to assist with succession planning. Special duties may include training and documentation for knowledge transference, assisting in the recruitment of position or other duties deemed critical to effective succession planning.

This provision is effective January 2017 and will not be applied retroactively. The Succession incentive pay will be payable on the employees final pay check.

Succession incentive pay is not retirement compensable.

N. Plan Administration

1. The County Executive Officer, the Auditor-Controller, and the Human Resources Director are hereby directed to provide the necessary administrative procedures to implement the above provisions of this Resolution.
2. When rigid adherence to the foregoing principles relating to salary adjustments or appointments would be discriminatory, unfair, or detrimental to the best interests of the County, the County Executive Officer and Human Resources Director may justify a business case and approve and implement salary provisions herein. Any such adjustments may not exceed the top of the salary range.

Management Classification and Salary Plan Changes

Appendix A

SECTION 4 - SALARY SCHEDULES

Management salary schedules are hereby revised as found in Attachment B.

SECTION 5 – CLASSIFICATION LIST

Management classifications are found in Attachment C.