



BOARD OF SUPERVISORS
AGENDA LETTER

**Agenda
Number:**

**Clerk of the Board of
Supervisors**
105 E. Anapamu Street, Suite
407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Human Resources
Department No.: 064
For Agenda Of: January 10, 2017
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Lori Gentles, Human Resources Director, 568-2816
Contact Info: Don Nguyen, Business Manager, 568-2823

SUBJECT: *Establishing a Minimum Wage Increase for Paid Interns*

County Counsel Concurrence

As to form: N/A

Other Concurrence:

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- a) Adopts the resolution in Attachment A, effective January 2, 2017, to set a rate of pay for the job classification of Intern, Paid (Class #009670) that complies with the legally required minimum wage at that time and in the future and maintains the existing differential between each step, and
- b) Determines pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(4) that the above action is a government fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment, and therefore is not a project subject to environmental review.

Summary Text:

The County of Santa Barbara provides a variety of both paid and unpaid internship opportunities to local students. During Fiscal Year 2016-17, approximately eight people have participated in the Paid Intern program. The job classification for participants in the program currently has a pay range of \$10.00 to \$12.21 per hour. The current legally applicable minimum wage for workers in Santa Barbara County is set by the State of California, and it will increase from \$10.00 per hour to \$10.50 per hour in January 2017, with gradual annual future increases scheduled to bring the rate to \$15.00 per hour in January 2022.

Although the current pay range for the Intern, Paid job classification can accommodate the 2017 increase, it is preferable to set and maintain the minimum rate of pay for this job classification at a rate that complies with the legally required minimum wage at any given time. The recommended actions would set a base rate of pay for the job classification of Intern, Paid (Class #009670) that will comply with the legally required minimum wage: \$10.50 per hour effective on January 2, 2017 and authorize adjusting the rate of pay to comply with future increases to the applicable minimum wage, whether it is a Federal, State, or local rate. In addition, the recommended action would maintain a 5% differential between each step in the range, with the base step (A) and the top step (E) approximately 21.5% apart because of compounding. This is consistent with the majority of County job classifications.

Background:

On June 20, 2005, the Board of Supervisors established a County Internship program for undergraduate and graduate students. Student interns make important contributions to the County, gain valuable work experience, apply education to hands-on problem solving, and learn about local government. With this program, the County has an extended opportunity to encourage tomorrow's workforce to make government service a career choice and, through work experience, expose interns to the functions of local government and the issues confronting government.

Additionally, interns perform non-regular work and undertake other special projects designed to provide educational opportunities in a work environment. Internships are offered throughout the year in virtually all areas of County government. Departments are able to tailor internships to meet their specific needs, and the length of assignments vary depending on the complexity of the specific internship.

Staff recommends that the Board adopt the resolution in Attachment A to set the minimum hourly rate of pay for the job classification of Intern, Paid (Class #009670) at \$10.50, effective in Pay Period 2017-02 (beginning January 2, 2017), and increasing to the applicable legally required minimum wage thereafter, whether it is a Federal, State, or local rate. No participants in paid internships are expected to work on New Year's Day 2017, the day the increase takes effect and the last day in Pay Period 2017-01, but in the event that happens, adjustments will be made to ensure those participants who earn the current minimum rate of pay are paid \$0.50 per hour more than their current rate, in accordance with the new law.

Fiscal Analysis:

Participation in this program varies month to month, which means the fiscal impact of complying with the new minimum wage may vary. This fiscal year to date, an average of eight participants worked a maximum of 40 hours per week in various paid internships. The current maximum monthly costs for all eight participants was approximately \$3,600. When the minimum wage increases to \$10.50 per hour in January, the County expects to see an increase of approximately \$169 per month.

For the remainder of FY 2016-17, this will result in an increase of \$1,014 and \$2,028 annually thereafter. Any costs associated with a specific internship will be absorbed within the appointing department's budget.

cc: Mona Miyasato, County Executive Officer
Michael C. Ghizzoni, County Counsel
Theo Fallati, Auditor-Controller

Attachment A: Salary Resolution