RESOLUTION - ACTION REQUESTED 2016-22

MEETING: January 5, 2016

TO: The Board of Supervisors

FROM: Steve Johnson, Human Resources Director - Risk Manager

RE: Approval to Conduct Internal Pay Equity Study

RECOMMENDATION AND JUSTIFICATION:
Authorize an Internal Pay Equity Study of the County's Classification System. Staff recommends that the Board of Supervisors approve, over the next six to twelve months, a review of the County’s internal pay system, to make sure that classifications are accurately compared to other similar County classifications in terms of pay. This process, for which staff will request Board approval for consulting assistance at a future Board meeting, will include a broad range of classifications that will be reviewed for internal pay equity.

As part of this review, staff further recommends that the County develop a team comprised of a cross section of employees that would assist Human Resources staff and the selected consultants in conducting this internal review.

Staff recognizes the work that was done in 2014 to conduct an external total compensation survey of 102 County classifications using nine separate County comparators to determine salary equity on an external level. As was mentioned above, the next effort will focus on internal salary equity to determine various County classifications relationships to each other in terms of pay and duties.

BACKGROUND AND HISTORY OF BOARD ACTIONS:
The County authorized a consultant to review County Job Descriptions and make certain salary recommendations in 2004. In 2014, the Board approved conducting an external total compensation study.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
Without an affirmative vote on this item, staff will not be able to determine whether County salaries are equitable.

ATTACHMENTS:
Memorandum to Board of Supervisors regarding internal pay equity evaluation January 2016 (DOCX)

CAO RECOMMENDATION
Requested Action Recommended

Mary Hodson
Mary Hodson, CAO 12/30/2015

RESULT: ADOPTED [UNANIMOUS]
MOVER: Kevin Cann, District IV Supervisor
SECONDER: Marshall Long, District III Supervisor
AYES: Smallcombe, Jones, Long, Cann, Carrier
MEMORANDUM

TO: MARIPOSA COUNTY BOARD OF SUPERVISORS

FROM: Steve Johnson, Human Resources Director/Risk Manager

SUBJ.: Approval to Conduct Internal Pay Equity Evaluation

DATE: January 5, 2016

RECOMMENDATION AND JUSTIFICATION:

Internal equity, or, an internally consistent compensation system, is defined as the relative value of each job among all jobs in an organization. This ordered set of jobs represents the job structure or hierarchy. Organizations rely on a simple but fundamental principle for building internally consistent compensation systems: Jobs that require higher qualifications, more responsibilities, and more complex job duties should be paid more than jobs that require lower qualifications, fewer responsibilities, and less complex job duties.

Staff recommends that the Board approve, over the next six to twelve months, a review of the County’s internal pay system, to make sure that classifications are accurately compared to other similar County classifications in terms of pay. This process, for which staff will request Board approval for consulting assistance at a future Board meeting, will include a broad range of classifications that will be reviewed for internal pay equity.

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Public agencies commonly use a job classification system to achieve an internally consistent compensation system. However, a job classification system that has not been maintained and professionally managed can easily slide over time into a collection of one-position classifications and upgrades that no longer provide adequate internal consistency. This has happened to Mariposa County as there are currently about 390 full time equivalent positions and almost 200 job classifications. While an internal pay study will not “fix” this ratio, Mariposa is also in the process of conducting some classification studies such as the Analyst classification study that has just started and is planning for other studies. Between the current effort to manage and streamline our classifications and the need to work on our internal consistency in pay, progress can be made to ensure that our system is truly a "system" and that our pay system is internally consistent.