



CLASSIFICATION AND COMPENSATION GUIDELINES

Compensation Philosophy

General Information

The County's compensation strategy supports County beliefs and aims to maintain external competitiveness and internal equity. It takes into account the following:

- Compliance with County obligations as stated in the Charter and Ordinance Code
- Fair compensation to employees
- Competitive compensation to attract applicants
- Comparability to other jurisdictions and agencies
- Budget and organizational issues and projections
- Trends, cost of living and funding issues
- Union agreements and issues
- Classification versus compensation issues

The County's compensation strategy focuses on the Bay Area labor market and include public employers both at the County and City level, and which may also include specialized private and public sectors for a few select jobs. The strategy uses a combination of market pricing and job ranking approach in establishing pay.

Pay Equity

Pay equity is central to San Mateo County's comprehensive compensation philosophy and policies. Our approach to compensation is grounded in principles of fairness and equity for all employees. We believe employees performing substantially similar work should be paid fairly and equitably, regardless of sex, race, or ethnicity.

Pay equity is an important pillar of our diversity, equity, and inclusion strategies. The County will strive to foster a culture of pay equity and parity by (a) conducting pay equity analyses when creating new classifications or conducting salary surveys; (b) providing transparent data on workforce pay equity to County departments and the public; and (c) making compensation-related decisions that balances internal and external market data and is based on job-related competencies.

Labor Market Comparators

San Mateo County compares salary information with:

- The following Bay Area Counties: Alameda, Contra Costa, Marin, San Francisco, Santa Clara and Sonoma;



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- The two largest cities in the comparator Bay Area Counties: Oakland and San Jose.

For nurse and physician classifications, as well as hospital-specific medical classifications, the following agencies are used for comparison:

- Alameda County Medical Center
- Contra Costa Regional Medical Center
- San Francisco General Hospital
- Santa Clara Valley Medical Center
- Sonoma Valley Hospital

These agencies are used as comparators due to their geographic proximity to the County. These employers will have a significant impact on the labor market within which the County competes for talent pool.

For select classifications, the County may consider jurisdictions other than those identified above. The use of data from other agencies is done on a case-by-case basis. For example, for airport-related technical positions, the County has historically used Contra Costa, Santa Clara, and Napa County airports as well as the Hayward, Livermore, and Palo Alto airports as these agencies have airport operations most comparable to the County's airports.

Relevance of External Data

To be considered comparable, data must be available from at least five (5) comparable agencies. For nursing, physician and hospital-specific medical-related positions, data must be available from at least three (3) comparable agencies.

Compensation Setting

The County's compensation strategy considers Labor Market Placement and Internal Equity when establishing pay and determining salary adjustments and equities.

- Labor Market Placement
It is the intent of the County compensation policy to adjust salary range of a classification if salary is found to be 5% or more behind the market median. Salary would be adjusted so that it matches the median of salary data from at least five (5) comparator agencies. In establishing salary of new classifications, the median of the labor market is considered.
- Internal Equity



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In addition to labor market placement, salary adjustments and new salaries are also evaluated against related classifications within the County to ensure fair pay for classifications performing similar or related work. Typically, to establish internal equity, the salary of other classifications in the series, if applicable, and/or the classifications above and below are reviewed.

In instances when labor market data is not available, salary adjustment or placement would be based entirely on internal equity.

Timing of Salary Adjustments

Salaries are generally adjusted only during contract negotiations for represented classes. For most management classifications, salaries are generally adjusted after completion of contract negotiations with the County's major unions.

During periods of limited financial resources, equity adjustments are generally limited to classifications that are both significantly behind comparator data and for which the County is experiencing significant recruitment and retention problems. Where both conditions do not exist, equity adjustments are generally not made.

Salary adjustments for management positions - Salaries for management classifications are assigned to a band. The bands are in increments of 5%. When making equity adjustments for management classifications, salaries are adjusted to the next closest band.



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CLASSIFICATION PHILOSOPHY

General Information

Rule IV of the San Mateo County Civil Service Rules requires that all positions covered by the CS Rules be "classified according to the duties and responsibilities assigned." Titles, qualifications, and selection criteria of these classes should be logical, consistent and fair. This required information is presented in the form of a classification specification (herein referred to as "class spec").

Class specs are core documents for the County's civil service system and include essential types of information as required by Civil Service Rule IV, Section 2:

SECTION 2. CONTENT: All classification specifications shall contain a title, the distinguishing characteristics of the work, illustrative examples of duties and the minimum qualifications required to perform the work. Classification specifications shall include only those educational, training, physical and experience requirements, which are essential to adequate job performance. The content is illustrative and shall not be construed to be comprehensive or to limit the authority of department heads to direct and control the work of employees. Classification specifications will be prepared so as to promote the goals of affirmative action, to encourage upward and lateral mobility of employees, and to avoid the creation of dead-end jobs. The classification specifications shall constitute a guide for establishing minimum employment standards, for examinations, and for evaluating the qualifications of applicants. The title of the classification shall be the title of all positions in the classification and shall be used on all official records.

In addition to these specifications, departments should establish performance standards and may develop more detailed job descriptions to assist employees in understanding their specific positions' responsibilities and level of performance expected.

Class Concepts

- ▶ San Mateo County prefers broad class concepts. Broad class concepts describe highly similar positions in one class concept, which usually results in a lesser number of class specifications.

Broad classes focus on broader knowledge, skills and abilities (KSAs) common to a large number of positions. There is a less exact fit of the employee to the position in this design but management flexibility is greatly expanded.



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- ▶ San Mateo County employs multi-level classifications. The County groups similar duties under one classification but also recognizes that duties within these classifications are performed at varying levels of responsibilities.

The most common example of multiple-level classification is the entry/journey combination (e.g., Park Ranger I-II) in which employees are performing exactly the same types of duties though the I-level is learning and performing them as a trainee. Another common pattern is entry through advanced journey (e.g., Biologist Standards Specialist series). In these cases, the class spec makes clear the difference in duties and KSAs between each level.

Role of HR and the County Manager's Office in Classification

The Human Resources Department works very closely with the County Manager's Office (CMO) on classification issues that impact organization structure, budgeted positions, compensation, and all changes to the annual salary ordinance (i.e., periodic salary ordinance amendments).

On classification issues, the HR Director also serves as the Executive Officer to the Civil Service Commission and is the final decision-maker on class issues affecting classified employees. Should a classification action in any way impact positions authorized in the Master Salary Resolution (e.g., a reclassification, a reorganization, or a salary range change), review and approval by the County Manager may be required prior to any action on the part of HR.

Due to the potential fiscal impact of classification requests and the CMO's in-depth knowledge of current and potential organization/budget issues, all reclass requests are evaluated and approved for review by the CMO prior to HR undertaking a study.

In all cases, departments are encouraged to discuss classification actions with HR prior to submittal to the CMO so that various alternatives and solutions to perceived issues or problems could be explored in depth.

Definition and Purpose of a Class Study

A classification study is the process of thoroughly researching, analyzing, determining, and documenting the responsibilities, duties, knowledge, skills, and abilities related to a position (not a person) for classification, organizational or related purposes.



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Classification studies are conducted to ensure that a classification system is equitable and consistent within an organization, and that employees are fairly classified. Common types of classification studies are:

- Reclassification
- Reorganization
- Classification of newly budgeted positions
- Compensation review
- Establishment of new classifications

Who Can Initiate a Class Study?

- ▶ Department Managers
- ▶ Unions (through contract negotiations only)
- ▶ Human Resources (typically countywide studies or as a result of a reorganization or implementation of new technology or system)
- ▶ Board of Supervisors (as part of approving funding for new positions)

Employees may request classification studies through department managers. If denied, they may contact their representation group for further action.

Reclassification Studies

Reclassification is the process of reviewing the classification of a position for possible reallocation to another classification. Reclassification studies could result to the any of the following:

- Reclassification upward to a class with a higher salary and/or level.
- Reclassification downward to a class with a lower salary and/or level.
- Lateral reclassification to a class in the same salary range/level.
- No classification change; job duties are within scope of current classification.

Reclassification should only be considered when there is substantial change in job duties over a period of time.

Factors Considered in Reclassification Studies

The following factors are considered when reviewing requests for reclassification studies and when conducting analysis in the course of reclassification study:

1. Nature, variety and scope of work



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2. Complexity of work
3. Supervision or guidance received and exercised
4. Consequence of errors
5. Nature and finality of decisions

Factors NOT Considered in Classification Studies

The following factors are not considered when reviewing requests for classification studies and when conducting analysis in the course of classification study.

1. Person's length of service in the position or in the department and his/her loyalty to the department
2. Quality of incumbent's performance
3. Volume of work or changes to the volume of work
4. Person's current salary step
5. Person's dependability
6. Personal qualifications and experience (if not directly related to or required of the position)

A reclassification study is not to be used as a method for rewarding good performers or addressing poor performance.

Timeline for Reclassification Studies

A reclassification study can take anywhere from three months to approximately one year. The study length depends on many factors, such as the number of issues, number of positions being reviewed, number of classifications impacted, and the amount of time it would take to resolve the issues with the department and with impacted labor organizations. The order that studies are conducted is determined by departmental input and contractual timelines.

Steps – Reclassification Study of a Filled Position

1. Department sends Classification Study Request Form to CMO Budget Analyst with a copy to the HR Director of Classification and Compensation (CC) Manager.
2. CMO Analyst review requests and obtains input from the CC Manager. CMO Analyst provides recommendation to County's Chief Financial Officer and/or CMO.
3. If request is denied, CMO Analyst returns denied request to the manager requesting the study.
4. If request is approved, CMO Analyst forwards request to the CC Manager who notices department head, direct manager and impacted employee, and assigns study to a CC Analyst.



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5. CC Analyst contacts incumbent(s) and respective manager(s) and sends out a Job Description Questionnaire (JDQ). Incumbent, his/her direct manager/supervisor and the department head must complete the JDQ.
6. JDQ is sent to CC Analyst who will review the JDQ and schedule and conduct a follow-up interview with the incumbent and their manager and/or supervisor, if necessary.
7. CC Analyst discusses preliminary findings and recommendations with the CC Manager.
8. CC Analyst prepares a summary of findings and/or statement of recommendations and submits to CC Manager for final approval.
9. CC Manager or CC Analyst forward final recommendation to manager for review and/or discussion.
10. Upon final approval from manager, CC Analyst prepares letter to Union(s) and gives union a two-week notice to request a meet-and-discuss regarding the matter.
11. Union representative and/or department manager discusses findings and recommendations with the incumbent(s).
12. After meeting all union obligations, CC Analyst prepares and submits to the CC Manager a Salary Resolution Amendment (SRA) entry for inclusion in the next scheduled Board of Supervisors Meeting. If action includes creation of a new classification, the classification is scheduled for a Civil Service Meeting for approval prior to going to the Board.
13. Reclassifications are effective retroactive to beginning pay period closest to 30 days after receipt of JDQ by HR for positions represented by SEIU and AFSCME only. For all other positions, reclassifications are effective at the start of the pay period following Board adoption of the resolution.

Steps – Reclassification Study of a Filled Position to a New Classification

1. Follow steps 1 through 6 of the Reclassification Study of a Filled Position.
2. CC Analyst conducts survey of comparable agencies, review similar internal classifications, interview subject matter experts, and research other sources for information regarding the new classification.
3. CC Analyst and CC Manager discuss the new classification and determine appropriate salary range to propose to department.
4. Follow steps 7 to 11 of the Classification Study of a Filled Position.
5. CC Manager presents the new classification to the Civil Service Commission.
6. Upon approval of the Civil Service Commission, CC Analyst prepares and submits to the CC Manager a Salary Resolution Amendment (SRA) entry for inclusion in the next scheduled Board of Supervisors Meeting. If action includes creation of a



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new classification, the classification is scheduled for a Civil Service Meeting for approval prior to going to the Board.

7. Reclassifications are effective retroactive to beginning pay period closest to 30 days after receipt of JDQ by HR for positions represented by SEIU and AFSCME only. For all other positions, reclassifications are effective at the start of the pay period following Board adoption of the resolution.

Steps – Reclassification of a Vacant Position

1. Department prepares a description of the duties and responsibilities of the position.
2. CC Manager or Analyst reviews the duties and proposes appropriate classification.
3. Once appropriate classification is determined (and established, in the case of new classifications), CC Manager notices the union, if represented, and prepares and submits an SRA to the Board.

Y Rating for Downward Reclassifications

Y Rating is the practice of continuing an employee's salary at a higher rate when the position has been reclassified to a classification that has a lower rate of compensation through a classification study. This is also referred to as "red lining."

The County's policy with respect to Y Rating is to provide an employee with the salary increases, if any, that the old classification would have received for a two-year period; and then freeze the salary until the salary for the new classification equals or exceeds the salary that the employee is receiving. At that point, the employee would again receive salary increases.



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Commonly Used Classification and Compensation Terms

Listed below are terms and phrases commonly used in connection with classification studies.

Benchmark Classifications: Classifications used by an employer in conducting salary surveys to establish market pricing. for internal comparisons and for salary surveys.

Benefits: The non-salary compensation provided to employees. This includes such things as health care, dental care, vision care, life insurance, retirement, social security, deferred compensation, transportation allowance, sick leave, vacation time, holiday time, and related items.

Classification: A collection of related duties and responsibilities that are grouped into a single body of work. Also known as Job Profile.

Classification Family: A group of classification series that are related by the similarity of functions performed. Examples include Management, Office Support, Paraprofessional, Technical, Skilled Crafts, and Professional.

Classification Plan: A document that generically defines levels of related classifications, forms a basis on which to classify future positions, and maps out their relationships to one another. Classification Plans are developed for classification families and when all of the classification plans are grouped together, they form the comprehensive listing of all County classifications. Classification plans assist in determining classifications and their levels within the County system.

Classified Position: A position in which the incumbent is covered by the provisions of the Civil Services Rules.

Classification Definition: A brief statement (two to four sentences) that describes the essential nature of the classification.

Classification Series: A group of classifications that are related by the performance of similar duties and responsibilities requiring the same knowledge, skills and abilities, but requiring them at increasingly higher levels of command. Examples include: Office Assistant I, Office Assistant II, Office Specialist, Lead Office Assistant, and Office Services Supervisor; and Management Analyst I, Management Analyst II, Management Analyst III, and Principal Management Analyst.



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Classification Specification: A document that broadly describes the responsibilities, duties, and qualifications related to a particular type of job or similar group of jobs. May also be known as Classification Descriptions or Job Specifications.

In a merit system, this document is essential in that it forms a basis to ensure that employees and potential employees are being treated fairly. The list of qualifications in each specification is used both for evaluation and formal testing purposes (components in tests are related to the qualifications listed). This protects the County from evaluating or testing individuals on what might appear to be unfair or irrelevant items.

Classification Study: The process of thoroughly researching, analyzing, determining, and documenting the responsibilities, duties, knowledge, skills, and abilities and other requirements related to a position (not a person) for classification, organizational or related purposes. For example, a study may be conducted in response to a reclassification request, to develop/revise a classification specification, or to assist in reorganization.

Classification Title: A brief and descriptive designation of the type of work performed. The classification title on payrolls, budgets, personnel reports and other official forms and reports dealing with positions or personnel will provide a common reference to the position. The classification title is selected to serve this purpose and does not limit the use of working titles. Also known as Job Title.

Comparable Agencies: The specific agencies or employers that employ personnel in jobs with which the County is in competition.

Comparable Classifications: Classifications that are similar in function, duties and responsibilities to positions in the County.

Confidential Position: An employee who assists and/or acts in a confidential capacity to persons who formulate, determine and/or effectuate management policies in the field of labor relations.

Dictionary of Occupational Titles: A document printed by the U.S. Department of Labor that lists thousands of commonly used classification titles. Used as a reference document in creating new classification titles.



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Distinguishing Characteristics: A section of the classification specification that differentiates the specific classification from all other related classifications in the County structure with emphasis on the differentiation between classifications in the same classification family and series. This is used when the **Definition** section cannot make an adequate differentiation between classifications. This section includes statements that clarify the essential nature of the work and the level of difficulty and responsibility involved. Distinctions as to level are expressed through statements about the difficulty and complexity of the work, the nature and extent of specific non-supervisory, supervisory or administrative duties and responsibilities, special hazards and the nature and method of supervision received.

EEO Category: The occupational category defined by the Equal Employment Opportunity Commission for job titles. It is used for statistical reporting.

Established Date: A section of the classification specification that identifies the date that the classification specification was approved by the Civil Service Commission.

Examples of Duties: A section of the classification specification that lists typical duties performed by incumbents in the class. Duties are written in general terms, but enable the reader to obtain a more complete concept of the actual work performed. The list is not intended to describe all the work performed in all positions in the class, nor do all examples apply to all positions allocated to the class. In the more populated classes only one portion of one work example may apply to a given position. The content is illustrative and is not comprehensive or meant to limit the authority of department heads to direct and control the work of employees. This section is not a substitution for the Distinguishing Characteristics section.

Fair Labor Standards Act (FLSA) Status: The status that identifies whether or not the classification is covered by the Fair Labor Standards Act. The FLSA status is exempt or non-exempt, or FLSA may not apply.

Internal Equity: The practice of establishing salary rates based on the relative worth of each function within the agency or employer. It establishes salary rates for classifications for which there is no external data (unique or single position classifications), insufficient data (one or two comparable external agency responses) or highly unreliable data. It can also be used to establish how the County values a classification regardless of the external data.



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Job Class Code: The four-digit code that identifies the payroll code for the classification. Also known as Job Profile ID.

KSA - Knowledge and Skills/Abilities: A section of the classification specification that identifies the attributes that an applicant must have in order to be successful in performing the tasks and responsibilities of a particular classification. A statement is considered knowledge if it describes the command of facts, rules, standards, practices, principles, etc. (what is to be known). A statement is a skill/ability if it describes the application of knowledge or understanding to the required activity (what is to be done).

Market Benchmarking: The act of obtaining market rate for a job by matching a job and its duties to similar jobs in comparable agencies.

Qualifications: A section of the classification specification that lists the typical or required education and experience for the job; the licenses, certificates and registrations required by law; the knowledge, skills, abilities and physical attributes needed to do the work; and the special requirements that may apply to specific positions.

Revised Date: A section of the classification specification that identifies the date that the most recent classification specification revision was approved by the Human Resources Director.

Supervision Received and Exercised: A section of the classification specification that describes the level of supervision received and exercised by positions in the class. This is usually provided only in management classifications.

Unclassified Position: A position in which the incumbent is not covered by the provisions of the Civil Services Rules.

Union Agreement: An agreement reached between a union/association with the County through formal contract negotiations/meet and confer processes. May also be known as a union contract, memorandum of understanding, or memorandum of agreement.