

Date : February 21, 2020
To : Supervisor Theodore Lipscomb, Chair, County Board of Supervisors
From : Joe Lamers, Director, Office of Performance, Strategy and Budget (DAS-PSB)
Subject: 2020 Adopted Budget Amendment 1C005 Report – Position Change Procedure

BACKGROUND

The 2020 Adopted Budget includes \$400,000 in Departmental Other Salary Adjustment Allocation (DOSAA) funding for position changes in the 4th quarter of the year. Amendment 1C005 states that the administration shall:

...provide a report to the County Board no later than June 2020 on the process to award [2020 DOSAA], as well as how the 2019 monies were spent. Approval by the County Board to release the non-DHHS-BHD funds (via an appropriation transfer) will be considered after the report is reviewed.

This report is responsive to Amendment 1C005 and includes a request to transfer \$346,463 from departmental contingency accounts to personal services. The remaining \$53,537 is part of the Department of Health and Human Services – Behavioral Health Division personnel budget.

The 2019 Adopted Budget contained \$455,645 of DOSAA as of the 4th quarter for an annual total of \$1,822,580. On April 25, 2019, the County Board approved an appropriation transfer moving DOSAA from departmental contingency accounts to personal services.

PROCESS TO AWARD 2020 DOSAA

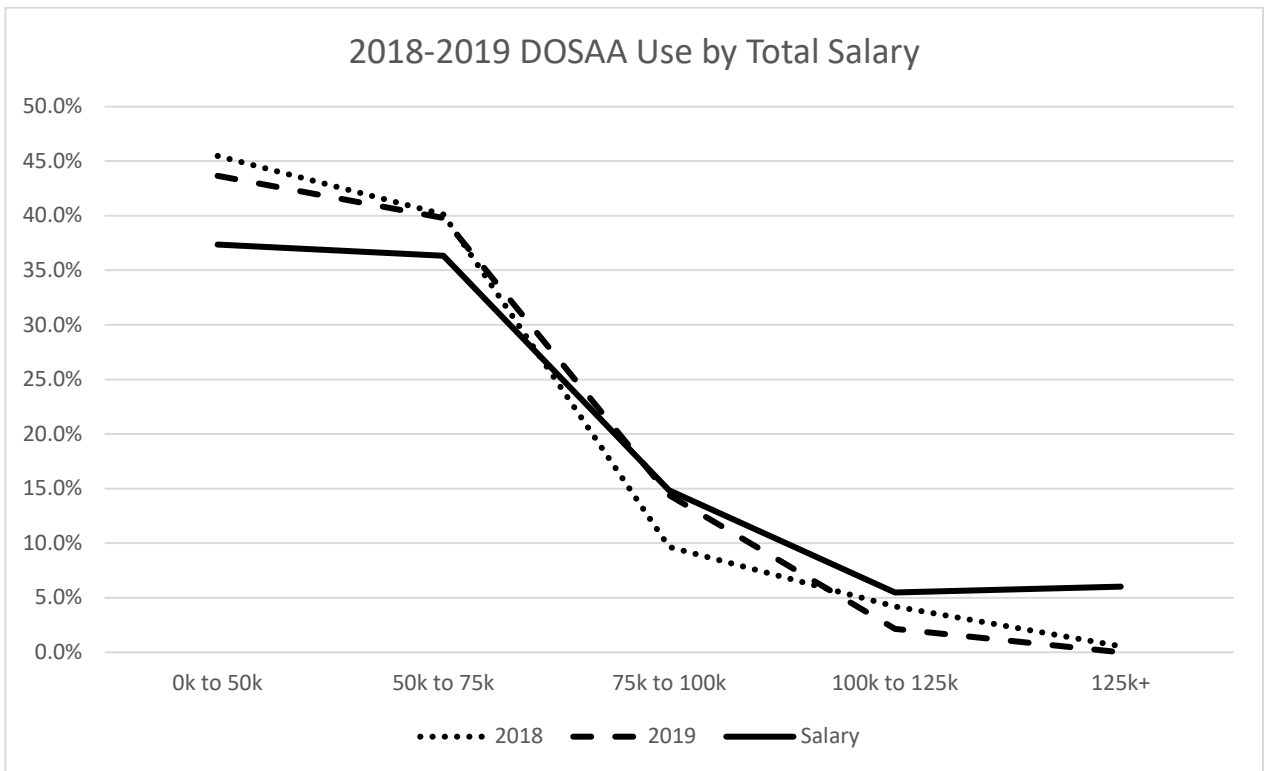
The process to award the 2020 DOSAA funding is guided by section 3.07 (Position Change Procedure) of the Administrative Manual of Procedures (AMOP). This procedure is the result of over a year of collaboration between the Department of Administrative Services, Human Resources, Corporation Counsel, the County Board, and other departments. The goal of this procedure is to provide clarity to both departments and employees on how to salary changes are implemented. The draft procedure is attached to this file. It has been submitted to the AMOP Committee for review on March 10, 2020. If approved by the AMOP Committee, there will be a two-week period for public comment on the procedure. The procedure is a living document and can be amended at any time.

All position change requests must be approved by Human Resources and DAS-PSB prior to implementation. Some requests must also be approved by the County Board. Human Resources reviews each request for several factors including internal/external equity and consistency with personnel laws and collective bargaining agreements. Human Resources has provided a set of guidelines that includes minimum requirements for all position changes and a list of other factors that managers should consider when determining how to allocate DOSAA funding. DAS-PSB reviews each position change request to ensure that there is either DOSAA funding or another verifiable and sustainable funding source.

In 2020, there was a slight change in the methodology to allocate DOSAA funding to departments. Previously, DOSAA funding was allocated based on the amount of salary in each department. Starting in 2020, funds are allocated based on the number of full-time FTE in each department. This change allocates more funds to departments with large numbers of lower paid employees and allocates less to departments with highly paid employees.

HOW 2019 FUNDS WERE SPENT

In 2019, DOSAA funds were used to increase the salary of 894 County employees – about one quarter of all full-time staff. The charts below show that employees with salaries under \$75,000 received the vast majority of DOSAA.



Salary Category	% of Total Salary	2019 DOSAA Use	Total Actions	5%+ Increases	10%+ Increases	Filled Positions	% of Employees Impacted
\$50k or lower	37.4%	43.7%	515	94	14	1795	28.7%
\$50k to \$75k	36.3%	39.8%	287	54	16	1182	24.3%
\$75k to \$100k	14.8%	14.4%	79	13	1	346	22.8%
\$100k to \$125k	5.5%	2.1%	13	1	0	97	13.4%
\$125k and up	6.0%	0.0%	0	0	0	64	0.0%
TOTAL	100.0%	100.0%	894	162	33	3484	25.7%

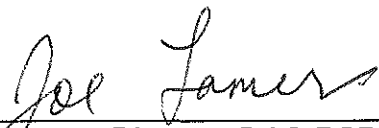
In March 2019, the Personnel Committee suggested that some position change items should instead be processed as abolish/creates. Starting in September 2019, HR stopped processing reclassifications of vacant positions. Since that time, the Finance Committee and Personnel Committee have reviewed several abolish/create requests that would have previously been processed as an administrative reclassification. The Position Change AMOP requires that all changes to vacant positions be approved by the County Board.

EARLY USE DOSAA

In March 2019, the Personnel Committee asked for information on how using DOSAA prior to the 4th quarter would work. Specifically, the concern was that if a department chose to use DOSAA early, fewer employees would be impacted by DOSAA early. The County's experience in 2019 shows that early use DOSAA was rare and limited only to time sensitive situations. Only 7 of the 894 employees to receive DOSAA funds were early use cases. 6 of the 7 were employees with salary under \$60,000 and most of the cases were small departments that did not have budget flexibility to free up other funds for the salary increase.

RECOMMENDATION

DAS-PSB recommends that the attached resolution authorizing a \$346,463 transfer from departmental contingency accounts to personal services be approved.



Joe Lamers, Director, DAS-PSB