

OPEN SESSION AGENDA ITEM

**54-112 May 2018
EX COMM ITEM III.B**

DATE: May 17, 2018
TO: **Members, Board Executive Committee
Members, Board of Trustees**
FROM: Steve Mazer, Chief Administrative Officer
SUBJECT: Compensation Policy

EXECUTIVE SUMMARY

This item proposes adoption of a Compensation Policy for the State Bar, whereby the State Bar will conduct a study of staff compensation and benefits every five years beginning in 2022, in order to ensure that its compensation practices are aligned with those of comparable public agencies, and are sufficient to recruit and retain a highly qualified workforce.

BACKGROUND

Between February 2016 and April 2017 the State Bar conducted comprehensive studies of its job classification structure and compensation practices. A new classification system and a new compensation structure were implemented for Confidential and Executive staff in July 2017. Implementation for the Bar's represented staff took place in March 2018, following ratification of a new Memorandum of Understanding with the employees' union.

During the 2016-2017 study period, it was noted by senior management and by the classification and compensation consultant that the State Bar did not have a formal, written compensation policy in place; the consultant recommended that such a policy be developed. During its 2017 performance audit, the State Auditor similarly recommended that the State Bar develop and implement a policy to compare its compensation and benefits with those of comparable public agencies.

DISCUSSION

Attachment A is a proposed Compensation Policy. It is modeled on the comprehensive compensation study that was completed in April 2017, and includes the following components:

Purpose: To ensure that the State Bar's compensation practices are aligned with those of comparable public agencies, and are sufficient to recruit and retain a highly qualified workforce.

Schedule: Every five years, beginning in 2022.

Conducted By: An outside consultant specializing in this field, selected pursuant to the State Bar's procurement policies.

Comparable Agency Determination: A labor market against which the State Bar will be compared will include state and local government agencies that are reasonably comparable to the State Bar, based on programs and services provided; organizational structure; agency size; and geographic location.

Scope and Methodology: Includes a determination of benchmark classifications for compensation review; a detailed labor market survey to address salary and other aspects of total compensation; and analysis and recommendations for adjustments to the State Bar's compensation and benefits that are necessary to achieve alignment with the market.

Responsibilities: The policy will be administered by the Office of Human Resources, under the direction of the Director of Human Resources and the Chief Administrative Officer.

FISCAL/PERSONNEL IMPACT

There is no fiscal impact at this time. The cost of the compensation and benefits review will be estimated and included in the proposed budget for each year that the review occurs.

RULE AMENDMENTS

None

BOARD BOOK AMENDMENTS

None

STRATEGIC PLAN GOALS & OBJECTIVES

Goal: 3. Improve the fiscal and operational management of the State Bar, emphasizing integrity, transparency, accountability, and excellence.

RECOMMENDATION

It is recommended that the Executive Committee and Board of Trustees approve the following resolution:

RESOLVED, that the Compensation Policy included as Attachment A is adopted.

ATTACHMENT(S) LIST

A. Compensation Policy

ATTACHMENT A

The State Bar of California
Office of Human Resources

COMPENSATION POLICY

Adoption/Revision Date

May 18, 2018 (adopted)

Definition and Purpose

The State Bar will conduct a review of employee compensation and benefits on a regular schedule, comparing its compensation practices to a labor market comprised of comparable public agencies. The purpose of this review is to ensure that the State Bar's compensation practices are aligned with those of comparable public agencies, and are sufficient to recruit and retain a highly qualified workforce.

Schedule

The compensation and benefits review will be conducted every five years, beginning in 2022.

Conducted By

The compensation and benefits review will be conducted by an outside consultant specializing in this field, selected pursuant to the State Bar's procurement policies.

Comparable Agency Determination

The State Bar will work with the consultant to determine the appropriate labor market against which the State Bar will be compared. The labor market will include state and local government agencies that are reasonably comparable to the State Bar, based on programs and services provided; organizational structure; agency size; and geographic location. Comparable agencies may include some or all of the following:

Statewide

State of California Executive Branch
Judicial Council of California

Northern California

Alameda County
Alameda County Superior Court
City of Oakland
City of San Jose
City/County of San Francisco
San Francisco County Superior Court

Santa Clara County

Southern California

City of Anaheim

City of Long Beach

City of Los Angeles

Los Angeles County

Los Angeles County Superior Court

Los Angeles Unified School District

Orange County

The State Bar will solicit input from its employees' union as part of the comparable agency selection process.

Scope and Methodology

The State Bar will work with the consultant to determine the appropriate scope and methodology for the compensation and benefits review. This will include:

Benchmark Classifications: From the approximately 75 job classifications now in use, a subset will be used as benchmarks for the compensation review, with compensation for related classifications set against those benchmarks. For example, Administrative Assistant I might be a benchmark classification, from which compensation for Administrative Assistant II, Senior Administrative Assistant and Administrative Supervisor would be determined.

Labor Market Survey: The consultant will conduct a detailed survey of the selected labor market, to determine minimum and maximum base monthly salary of the benchmark classifications; other information about salary plan structures and cost of living increases; and other aspects of total compensation, including health and welfare benefits, leave benefits, cash add-ons (deferred compensation, transportation subsidies, etc.) and retirement practices.

Analysis and Recommendations: The consultant will provide a detailed analysis of the labor market survey results, and recommended adjustments to the State Bar's compensation and benefits that are necessary to achieve alignment with the market.

Responsibilities

This policy will be administered by the Office of Human Resources, under the direction of the Director of Human Resources and the Chief Administrative Officer. Recommended changes to compensation and benefits will be approved by the Executive Director, and by the Board of Trustees, as appropriate.