

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
11	06/08/15	Open	Action	05/15/15

Subject: Amending Exhibit A of Resolution No. 11-06-0087 by Modifying Article 8.01(B) Hiring Rates Language for New MCEG Employee Salary Offers.

ISSUE

Whether or not to amend Article 8.01(B) "Hiring Rates" of RT's Personnel Rules and Procedures for Management and Confidential Employee Group (MCEG) members.

RECOMMENDED ACTION

Adopt Resolution 15-06-____, Amending Exhibit A of Resolution No. 11-06-0087 by Modifying Article 8.01(B) Hiring Rates Language for Management Confidential Employee Group (MCEG) New Employee Salary Offers.

FISCAL IMPACT

None associated with this action.

DISCUSSION

During the 2011 AEA negotiations, RT and the Administrative Employees Association (AEA) adopted Article 8.01(B), limiting the salary offer of new employees to no higher than: (i) midpoint of the salary range if there are no incumbents in the same job classification, or (ii) the level of the highest paid employee in the same job classification.

Throughout the recession, that language was arguably appropriate because RT was conducting very little hiring into the MCEG group. But now that the economy has improved and the job market is much more competitive, that salary restriction inhibits Human Resources (HR) recruitment efforts. It inhibits HR's ability to consider important factors in determining competitive salary levels associated with hiring external candidates, including:

- Current salary market/trends
- Candidate education and certifications
- Candidate experience at other employers, including other public agencies
- Salary effects caused by Public Employee Pension Reform Act (PEPRA)

During fiscal years 2013 and 2014, the salary restriction language significantly limited RT's ability to attract qualified candidates for a variety of higher level, highly skilled positions. RT's job announcements have cited both the entire salary range for the position along with the restricted new hire salary range limitation (pursuant to Article 8.01(B)). On three separate recruitments, this salary restriction significantly impacted the number of qualified candidates applying for the

Approved:

Presented:

Final 06/02/15

General Manager/CEO

Director, Human Resources

J:\Board Meeting Documents\2015\10 June 8, 2015\Modifying Article 8.01b Hiring Rates Language for New MCEG Employees.docx

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positions. In two cases, recruitments had to be abandoned due to the lack of any qualified candidates. These recruitment efforts are outlined in Attachment 1.

Feedback from candidates, as well as external interview panelists, revealed that while RT’s salary ranges are sufficient, RT’s salary limitations were dissuading candidates from applying for employment with RT.

To ensure that HR’s external recruitment efforts produce qualified candidates, and that RT’s hiring authorities have sufficient candidate options from which to select to fill MCEG positions, staff recommends that Article 8.01 (B) be amended and restated as follows:

8.01.B. Hiring Rates:

All employment offers, including salary rates, must be extended and approved by the Human Resources Department.

New Employee Salary Offers: Salary range placement for all new employee salary offers shall receive written authorization prior to the employment offer being extended by the Human Resources Department. Written authorization is as follows: Range Minimum to 105% of Range Minimum may be authorized by the HR Analyst. Greater than 105% of Range Minimum to Range Midpoint may be authorized by the Director, Human Resources. Greater than Range Midpoint to Range Maximum may be approved by the General Manager/CEO.

All salary offers would require written authorization as illustrated below:

Salary Amount	Range Placement Authorization
Range Minimum to 105% of Range Minimum	HR Analyst
Greater than 105% of Range Minimum to Range Midpoint	Director, HR
Greater than Range Midpoint to Range Maximum	General Manager/CEO

Restating Article 8.01(B) language to the above-referenced language will allow RT to remain competitive in today’s hiring environment. Without the ability to offer competitive salaries, the critical high level, highly skilled positions will remain unfilled.

Staff recommends that the Board adopt the revised 8.01(B) as illustrated above, allowing RT staff to extend new employee salary offers in accordance with those guidelines.

Data on Difficult to Fill Recruitments During 2013 and 2014
Based on New Hire Salary Limits (not to exceed current highest paid incumbent in same classification)
January 5, 2015 (revised May 13, 2015)

LEGEND				
			BSME	Scheduled for Blind Subject Matter Expert Review
			FO	Failed Oral Panel Interview
			HR	Hired
			EL	Eligibility List
			IA	Incomplete Application
			MD	Missed Deadline
			MQ	Not Among the Most Qualified
			NQ	Does Not Meet Minimum Qualifications
			SO	Scheduled for Oral Panel Interview
			DO	Declined Offer
			VL	Voluntarily Withdrew
Job Title	Total # Applicants	Count	Status	Notes
Attorney II/III (Transactional)	17	10	MQ	
Posting: 03-21-13 to 04-10-13 (resulted in Dong hire) Posted with full salary range; however, cap was discussed with candidates who passed the panel interview prior to dept interview		4	VL	2=withdrew: no longer interested 1=declined dept interview: salary limitation & pension 1=withdrew: accepted other offer
		1	IA	
		1	EL	at II level
		1	HR	Dong hired at III level within PRP guidelines under mid-range
Attorney II/III (Litigation)	26	17	MQ	
Posting: 03-21-13 to 04-10-13 (resulted in Bickel hire) Posted with full salary range; however, cap was discussed with candidates who passed the panel interview prior to dept interview		4	VL	2=withdrew at-panel invite: accepted other offer 2=withdrew at-dept: salary limitation
		1	DO	first selected declined offer due to salary & pension concerns
		3	EL	
		1	HR	Bickel hired at III level within PRP guidelines under mid-range
Senior Human Resources Analyst	26	1	MD	
Posting: 01-16-14 to 02-05-14 (resulted in no hire)		9	NQ	
		9	MQ	
		2	IA	
		2	VL	1 = at panel invite / 1 = at department invite
		3	FO	

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			VL	Voluntarily Withdrew
Job Title	Total # Applicants	Count	Status	Notes
Senior Human Resources Analyst	9	1	NQ	
Posting: 04-17-14 to 05-07-14		1	IA	
(resulted in no hire)		7	MQ	
Senior IT Business Systems Analyst	5	1	MD	
Posting: 07-18-13 to 08-07-13		1	MQ	
(resulted in Grewal and Singh hires)		1	VL	
		1	HR	Grewal: Top of New Hire range based on experience (match current incumbent)
		1	HR	Singh: Bottom of range based on experience
Senior IT Business Systems Analyst-SAP	3	1	IA	
Posting: 11-13-14 to 12-03-14		1	SO	minimally qualified
(in progress pre-panel)		1	SO	qualified
Senior IT Business Systems Analyst-Trapeze				
Posting: 11-13-14 to 12-03-14	0			No applications received / extended filing deadline
Reposted: 12-04-14 to 12-17-14	3	1	BSME	minimally qualified
(recruitment on hold pending reporting issue)		2	SO	qualified

RESOLUTION NO. 15-06-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

June 8, 2015

**AMENDING EXHIBIT A OF RESOLUTION NO. 11-06-0087 BY MODIFYING
ARTICLE 8.01(B) HIRING RATES LANGUAGE FOR
NEW MANAGEMENT CONFIDENTIAL EMPLOYEE GROUP (MCEG) EMPLOYEE
SALARY OFFERS**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF THE MCEG AS FOLLOWS:

THAT, effective June 9, 2015, Resolution No. 11-06-0087 is hereby amended by restating Article 8.01(B) language to read as follows:

8.01.B. Hiring Rates:

All employment offers, including salary rates, must be extended and approved by the Human Resources Department.

New Employee Salary Offers: Salary range placement for all new employee salary offers shall receive written authorization prior to the employment offer being extended by the Human Resources Department. Written authorization is as follows: Range Minimum to 105% of Range Minimum may be authorized by the HR Analyst. Greater than 105% of Range Minimum to Range Midpoint may be authorized by the Director, Human Resources. Greater than Range Midpoint to Range Maximum may be approved by the General Manager/CEO.

JAY SCHENIRER, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary