

**Memo re "Pastoral Center Salary
Administration Program" (02/01/00)
(Human Resources Office)**



THE ARCHDIOCESE OF SAN FRANCISCO
HUMAN RESOURCES

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MEMORANDUM

TO: All Department and Office Directors

FROM: Carl Feil, Director of Human Resources

COPY: Father Harry, Vicar for Administration

DATE: February 1, 2000

RE: Pastoral Center Salary Administration Program

Due to the number of new Directors that have come on board at the Chancery during the past year or so, we felt it was timely to reissue the approved Salary Administration Policies and Procedures that apply to staff who work at the Pastoral Center.

It is important that all Directors who have supervisory responsibilities be familiar with these policies and procedures and to help ensure that they are administered in an objective and consistent manner.

I will be happy to answer any questions you may have regarding our salary administration program.

A handwritten signature in black ink, appearing to read "Carl Feil".



ARCHDIOCESE OF SAN FRANCISCO

Salary Administration Policies and Procedures For the Pastoral Center

The Archdiocese of San Francisco holds itself to the standard put forth in the social doctrine of the Church.

All the moral principles that govern the just operation of any economic endeavor apply to the Church and its agencies and institutions; indeed the Church should be exemplary. (Pastoral on the Economy, #347)

Through its Salary Administration Program, the Archdiocese seeks to hire and retain well qualified and effective employees by implementing a fair and equitable salary structure for employees of the Pastoral Center of the Archdiocese.

The overall goal of the Salary Administration Program is to distribute within the limits of organizational resources a mix of pay and benefits which is generally comparable to that provided by organizations of a similar nature and which seeks to provide at least a living wage to regular full-time staff members.

These goals and objectives will be accomplished through the following tasks:

- A. Development of position descriptions for all positions in the Pastoral Center;
- B. Use of standardized instruments of job classification within the Pastoral Center in order to recommend the appropriate placement of positions;
- C. Review and, as appropriate, revision of the salary scale annually;
- D. Recommendation to the Budget Committee of a total salary budget for lay employees of the Pastoral Center;
- E. Recommendations for appropriate processes by which raises may be given;
- F. Review of requests from Department or Office Heads for reclassification of positions arising from changes in responsibility and duties;

- G. Advice to department and office heads about the appropriate hiring range for positions to be filled.

These tasks are further described in the procedures which follow.

1. Position Descriptions

It is the Policy of the Archdiocese that each Department/Office Director maintain up-to-date Position Descriptions that accurately describe the duties and responsibilities of positions in the office. Furthermore, each employee should receive from the Department/Office Director and maintain a current Position Description for his/her position.

The Position Description is used:

- ◆ to evaluate and classify a position,
- ◆ to provide criteria for hiring qualified personnel in a position vacancy,
- ◆ to serve as criteria in employee performance evaluations by facilitating objective discussion of job requirements and performance results.

Positions description content follows the format provided on the attached Position Description form. When filling a vacancy for a new position, the following information is required: Position Title, Department, Office, Reporting Relationships (Supervisor, Positions Supervised) FLSA Status, Position's Purpose, Major Responsibilities, Education and Experience Requirements, Other qualifications, Approvals and Date.

Since position descriptions cannot articulate every task or responsibility required, supervisors may assign additional duties as needed. It may be necessary to transfer duties from one position to another as well as transfer positions and/or employees among departments. The Archdiocese will make such changes for the purpose of maintaining staff stability and organizational effectiveness.

Position descriptions are reviewed for accuracy when positions are being filled, whenever significant changes in responsibility occur and when annual employee performance evaluations are conducted. Employees are encouraged to review and suggest changes to their job descriptions. Office Directors in consultation with the Department Director are responsible for determining the duties to be assigned each position under their supervision. Supervisors should contact the Office of Human Resources for direction in completing the Position Description form.

Before position descriptions are finalized at the Office level, the Office and Department Director must review them for appropriateness and accuracy of content. After review, approval and signature by the Office and Department

Directors, copies of the position descriptions are to be given to the position incumbent and forwarded to the Office of Human Resources.

2. Job Classification

The Archdiocese has adopted a job classification methodology to evaluate the relative value of the unique kinds of positions that exist within the Pastoral Center. The system is composed of the following factors: Education, Experience, Scope of Responsibility, Supervision of Others, Independence of Judgment combined with Consequence of Errors, and Contact with Others combined with Impact.

A Salary Administration Advisory Committee convened by the Director of Human Resources assists in assigning values to each position using the job classification factors. The Committee's composition includes several members recommended by the Director of Human Resources to the Pastoral Center Moderator. It will include at least one person from within the Pastoral Center and one person recommended by the Vicar for Administration. Committee members are appointed for a three year term which can be renewed.

All Pastoral Center positions are evaluated by the same system and methods to ensure a consistent result. The Committee reviews job descriptions, preliminary factoring by a consultant and the overall point totals for each position with the Director of Human Resources. The preliminary recommendations will be shared with the Department Director and/or Office Director who will be given the opportunity to provide additional input.

Each position's classification level is determined by its total point value. Positions having approximately similar total value will be in the same classification level even though the specific degree of each of the various factors may vary.

3. Evaluation of a Position's Classification Level

Office and Department Directors, either independently or at the request of a position incumbent, may request a review of the classification level of positions under their supervision. Requests to evaluate a position's level should be forwarded to the Director of Human Resources with an updated job description, a brief rationale, and any other pertinent information from each level of supervision up to and including the Department Director level.

Requests for review should be submitted to the Director of Human Resources by November 1 each year. The Salary Administration Advisory Committee will review all requests, preliminary factoring by a consultant and the rating of other comparable positions in the Pastoral Center. The Committee will offer advice to the Director of Human Resources concerning the point value and consequent

classification level for each request. The Director of Human Resources will meet with the Department Director and/or Office Director to share the findings of the Committee and obtain additional input, if any, from the Department/Office Director. The Director of Human Resources will consult further with the Committee as necessary and will reach a decision and communicate it to the Department Director by March 1 for incorporation into the Archdiocesan budget.

Department Directors may request to have a classification decision reconsidered by making such request to the Vicar of Administration by April 1. The Vicar for Administration will request information from the Salary Administration Advisory Committee, Director of Human Resources and Department Director in reaching a decision. The decision upon reconsideration by the Moderator will be final.

Final decisions will be communicated to the Department Director and employee by May 1 and will be effective July 1.

4. Interim Need to Determine a Position's Classification Level

If a position is created during the year an office reorganization occurs, or other needs arise for adjusting the classification level for a position, it will be determined on an interim basis by the Director of Human Resources in consultation with the Department Director whose position needs review. The final determination of the position's point value and classification level will be determined during the next formal review of job classification requests as described above.

5. Guidelines for Recommending Adjustments to Salary Ranges and Pay Rates

In order to establish and maintain the comparability of the Archdiocese's salary ranges with those of other similar organizations, the Director of Human Resources will obtain annually from a personnel association and other sources pay range adjustment projections of other employers and other economic indicators. After discussion with the Vicar for Administration, the Director of Human Resources will convene the Salary Administration Advisory Committee for its input and then, as appropriate, will recommend to the Budget Committee the percentage of the annual adjustment for Archdiocesan salary ranges.

Recommendations for the amount of the overall pool for pay adjustments will be developed in a similar manner. The Director of Human Resources will gather information concerning comparable job market trends and economic conditions affecting the Archdiocese. This information will be discussed with the Vicar for Administration and shared with the Salary Administration Advisory Committee. With the advice of the Vicar and Committee, the Director of Human Resources will recommend to the Budget Committee the size of the overall increase pool and the general methodology of distributing the increase pool to individual employees.

The Archdiocese will compare its exempt positions for salary administration purposes with salary survey data for a reference group of Catholic Dioceses, with nonprofit organization survey data and with all employer survey data in the region (Bay Area, California and Western States). The Archdiocese will compare its nonexempt positions with employers of all types in the San Francisco Bay Area (or California where Bay Area data is not available).

Every two to three years, the Director of Human Resources will enlist the services of a personnel association to update the overall job market comparability of the Archdiocesan pay ranges and the placement of Archdiocesan positions within the system of pay ranges. Archdiocesan positions will be compared with corresponding jobs of other similar organizations. This comparison process will help the organization maintain salary ranges that are comparable to those in similar external job markets. The findings will be considered during the annual review described in 3 above.

6. Determination of Individual Pay Rates

- a. Hiring Range For a New Employee. The pay rate of a new hire is set by the Director of Human Resources in consultation with the new employee's Office Director. No one should be hired below the minimum of the range. The hiring range for nonexempt employees includes the lower quarter of the pay range for the position. The hiring range for exempt employees includes the lower half of the pay range. Exceptions, such as significantly higher qualifications of the new employee or job market considerations which dictate setting the initial rate above these levels, are to be reviewed and approved by the Department Director.
- b. Increase After Introductory Period. At the end of the introductory period an employee's salary may be increased by 5% up to a maximum of the hiring range in effect at the date of employment. In addition, if the introductory period spans two fiscal years, see general guideline for proration of salary increases below at 6c.
- c. Annual Pay Adjustments for Employees.

A portion of the salary increase pool may be used to provide equity adjustments to move employees to the range minimum or to raise the pay rates of employees with lengthy service who are placed in the bottom half of the range.

Performance deficiencies may result in receiving no increase.

Employees paid above the range maximum will receive no increase to their rate but may receive comparable extra pay which does not affect their pay rate.

Any annual adjustments which occur will be effective at the beginning of July of each year.

As a general guideline, for persons who have been on the payroll less than one year, any salary increase for the next fiscal year will be prorated on the basis of quarters completed. (The employee must be on the payroll at least four pay periods for this to be effective.)

- d. Pay Increase Upon Promotion with Transfer. The setting of the pay rate upon promotion to a different position will be determined by the Director of Human Resources in consultation with the position's Office Director. The new pay rate will be determined according to the guidelines covered in section 6 a above (Hiring Range for a New Employee).
- e. Pay Increase upon Reclassification. The setting of the new rate will be determined by the Director of Human Resources in consultation with the position's Office Director. Such increase will be to the greater of the minimum of the new range or an amount usually not to exceed 5%. Consideration will be given to the current placement of other employees in the new range in order to avoid inequities.
- f. Special Temporary Adjustment for Additional Responsibilities. In situations where an employee assumes a significant increase in responsibility due to the extended absence of a higher level employee (position vacancy or leave of absence), the Director of Human Resources should consult with the Department and Office Director to determine a temporary increase in pay not to exceed 10% of current base pay. The temporary increase will be given in an additional pay check so as to maintain clarity about the short term nature of the Increase. An extended period of absence would normally be at least one month in duration and continue for several months
- g. Transfers. Employees transferred to another position having the same job classification will continue to receive their present rate.
- h. Movement to a Lower Pay Range. Employees required by the Archdiocese to move to a position in a lower pay range will continue to receive their current rate but will not receive pay rate increases until the maximum of the lower pay range catches up to their current rate.

Employees who request to transfer to a lower position will receive a lower pay rate in the new range. Their new pay rate will equal the same range percentile as their current pay rate is in their current range.

7. Communication to Employees about Pay and Benefits

- a. The Director of Human Resources will prepare written notification to individual employees about the amount of their annual pay rate at the time of annual adjustments and when other changes occur.

- b. Questions from individual Office Directors or employees about their pay rates and pay ranges are to be directed to the Director of Human Resources.

9. Use and Distribution of These Procedures

These procedures will be distributed to Department and Office Directors for use in administering the Salary Administration program.

Revised: 2-2-2000

Questions & Answers from Salary Administration Briefings (3/97)

1. Does a person ever reach "mid point," or does the "mid point" just keep shifting upward?

Most employees currently paid below the midpoint can expect to reach the midpoint within the next few years because salary increases normally will be higher than the range midpoint increase. How soon employees reach the midpoint will depend on their current placement in their salary range.

2. The previous system that controlled salaries seemingly aimed to get our employees to midpoint. Other than the fact that individuals may now receive compensation in some form (e.g., a bonus check, gift certificate, etc.) for an unusual circumstance, how is the new system different?

The new system targets the midpoint by facilitating more rapid movement toward the midpoint for salaries below the midpoint and less rapid movement beyond the midpoint for salaries above the midpoint. In future years it may also consider equity adjustments to move long time employees to the midpoint more quickly.

3. Approximately how many years will it take a person to advance from the bottom of a specific salary range within a classification to the top of that same classification?

Wider salary ranges have been created in the new system. We have tested out how long it would take for a person to move from the very bottom of the range to the top with normal increases only. Assuming an increase of 2% above the increase given to the salary ranges (our goal), it would take approximately 20 years for a person to move the whole length of a salary range.

4. Suppose an individual somehow manages to reach the top of his/her classification. If he/she cannot receive a salary higher than the top of the range, what is available in the way of incentives for that person?

No one is currently at or near the top of their range. Increases for this year (1997-98) left 6% of employees in the 4th quartile (highest quarter of the range), 37% in the 3rd quartile, 40% in the 2nd quartile and 17% in the 1st quartile. The 3rd and 4th quartiles are above the midpoint and the 1st and 2nd quartiles are

below the midpoint. Located around the midpoint, the 2nd and 3rd quartiles are closest to our target and contain 77% of employee salaries.

If a person should reach the top of his/her salary range, by archdiocesan policy, the salary rate would be frozen until the pay range increased. The employee, however, may be eligible for comparable extra pay (not affecting the base salary rate). This policy is stated in Salary Administration Policies and Procedures, section 6,C (available for your reference either from your Office Director or the Office of Human Resources).

5. Why is it not possible to have a list available showing the responsibilities linked to a specific classification?

The Salary Administration Program places positions in their levels using a point factor job classification methodology. This is a complex process which requires that its administrators become knowledgeable of the responsibilities of every position in the Pastoral Center. This task has been assigned to members of the Salary Administration Advisory Committee. It would be wasteful of archdiocesan resources to have or encourage others to become involved in this very time consuming type of analysis. Anything less than a full review of all positions against every factor would yield subjective and potentially biased ratings.

The current membership of the Salary Administration Advisory Committee (2000) includes Carolyn Ennis, Controller, Hank Jacquemet, member of the Archdiocesan Finance Committee and Bill Daly, Director of Consultation Services for NACPA. The Committee is chaired by Carl Feil, Director of Human Resources.

The classification factors and other information about the process are contained in the Salary Administration Policies and Procedures.

6. Why is it not possible to have a list available showing the pay ranges linked to specific classifications?

Like many other organizations, including other dioceses, the Archdiocese has chosen not to publish its salary ranges because they could be misleading and potentially troubling for persons lacking full information about how they were established. The salary ranges may seem too low to some and too high to others. This could be true both for persons within and persons outside the Pastoral Center.

7. Why is it necessary for a person to go to Carl Feil to find out his/her job classification?

While not publishing its position classification system and salary ranges, the Archdiocese does want supervisors and employees to know about their classifications and salary ranges. This is why Carl Feil, Director of Human Resources invited employees to meet with him individually to obtain information about their positions. His invitation still stands.

8. Regarding the likelihood of employees being evaluated, will employees have the opportunity to also evaluate their supervisors?

When the archdiocese begins to develop its employee performance appraisal system, it will consider this question. It is likely that employees will be able to provide feedback on the type and quality of supervision they are receiving. It is unlikely that they will evaluate the general work performance of their supervisors.

9. Education was mentioned as a factor in the determination of salaries. Does this mean education solely in relation to that particular job, e.g., someone in the Finance Office might be in a higher salary range if he/she has a degree in Accounting? Or was Carl referring to education in general, e.g., someone with a B.A. in a secretarial job versus someone with a high school diploma? Please explain.

The job classification criteria focus, by nature, on the type of work performed by archdiocesan positions. For that reason, the education factor evaluates job related rather than general educational qualifications. Certain positions in the Finance Office require degrees in Accounting and others do not. Certain secretarial positions require a high school diploma; others may require an Associate of Arts degree in Secretarial Science.