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DATE: April 17, 2019

TO: Board of Retirement

FROM: Donald C. Kendig, CPA, Retirement Administrator

Staff Contact: Patti Montoya, Retirement Benefits Manager

SUBJECT: Consideration of New Superior Court Earn Code SME, Subject Matter Expert – APPROPRIATE ACTION

Recommended Action

1. Approve the additional earn code as pensionable or non-pensionable per table below.

Fiscal and Financial Impacts

There is no direct cost to the plan. Pension contributions associated with the new earn code will be paid by the employer and employees. Any resulting change in the final average compensation would affect future pension benefits, and could affect actuarial costs, but would be extremely modest because this pay is not granted permanently and routinely to employees. Future actuarial cost would be included in the employer contribution requirements.

Background and Discussion

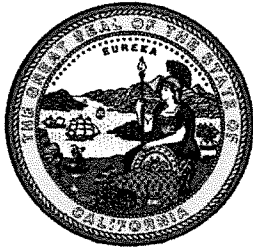
The Superior Court of California County of Fresno (Courts) is looking to institute a new earn code for vetted employees determined to be a subject matter experts (SME) in specific assignments. The Courts have defined the knowledge, skills, and abilities required of an SME, the requirements necessary for a manager to request an SME assignment for a staff member, and the role of the SME. The amount of the SME earn code would be \$5.00 per day for each day assigned as an SME. The requirements and responsibilities of the SME as well as the pay of the SME earn code is detailed in Attachment 1.

FCERA's Earn Code Resolution Policy provides a guideline to determine earn codes that should be included in compensation earnable and pensionable compensation. The recommendation to approve as pensionable is consistent with FCERA's Earn Code Resolution Policy and similar earn codes currently being used by the County. FCERA's Earn Code Resolution Policy with listings of pensionable and non-pensionable earn codes can be found on FCERA's website or by clicking on the following link. <https://fresnocountyretirement.org/board-of-retirement/governance-and-policies/>.

Earn Code	Effective date	Description	Bargaining Unit Impacted	Pensionable Tiers I – IV	Pensionable Tier V (PEPRA)
SME	4/22/2019	Subject Matter expert pay	All Courts classifications	Yes	No

Attachment

1. April 10, 2019 Superior Court of California County of Fresno letter to FCERA



**Superior Court of California
County of Fresno**

Sheran Morton
Court Executive Officer / Clerk / Jury Commissioner
Michael L. Elliott
Court Assistant Executive Officer

April 10, 2019

Fresno County Employees' Retirement Association (FCERA)
Donald Kendig, CPA, Retirement Administrator
7772 N. Palm Ave.
Fresno, CA 93711

Dear Mr. Kendig,

The Fresno Superior Court is looking to institute a new pay element for employees based on the implementation of a provision for special compensation for vetted employees determined to be a Subject Matter Expert (SME) in specific assignments.

Background

The terms adopted by the Service Employees International Union (SEIU), Local 521 and the Fresno Superior Court on March 27, 2019, include a provision for special compensation for vetted employees in Bargaining Unit 6, who are assigned on any day to demonstrate specific tasks or assignments to newer employees. Employees who are designated as a SME and perform the assignment will receive the SME pay differential in the maximum amount of \$5.00 per day for each day of the assignment. The Court is proposing the earn code "SME," detailed in the table below, for payment of this special compensation.

An employee may earn SME pay on a daily basis and may earn it for an entire pay period. SME pay will be earned during the regular work week from Monday through Friday (up to \$50.00 on a bi-weekly basis), however in rare circumstances the Court may require the assignment of a SME outside of the regular work schedule, for example on a Saturday or Sunday.

Our current SME policy applies only to job classifications in Bargaining Unit 6. However, the Court would like to extend the SME pay to other classifications in the future, including unrepresented non-supervisory job classifications.

Recommendation:

It is the Court's recommendation that earnings under earn code "SME" be considered pensionable compensation for FCERA Tier I members and non-pensionable compensation for FCERA Tier V members, with the understanding that final determination will be made by

the FCERA Board of Retirement as the authorized entity for determining what is considered pensionable compensation for its members.

Earn Code	Report Code	Payroll System Description	Long Description
SME	SME PAY	SME PAY	Special compensation for vetted employees assigned to demonstrate specific tasks or assignments to newer employees.

Thank you for your assistance in establishing the "SME" earn code for Fresno Superior Court.

Sincerely,



Sheran Morton
Court Executive Officer
Superior Court of California, County of Fresno

Attachment: Signed SME – Pay Differential Policy between SEIU Local 521 and Fresno Superior Court

POLICY TITLE	Subject Matter Expert – Pay Differential		
POLICY NUMBER	TBD	EFFECTIVE DATE	TBD

Based on the operational needs of the Court, an employee who has been designated as a Subject Matter Expert (herein SME) in a specified task and or assignment may be assigned to share their knowledge and experiences with another employee whose manager has assigned the task and or assignment to them for the first time. A SME may also be used to provide a "refresher" in a task and or assignment to employees who have not performed the task or assignment for a long period of time, or since changes to the procedures were made. Employees who are designated as a SME and given an assignment as a SME will receive differential pay at the rate of \$5.00 per day for the length of the assignment.

Applicability

3rd week in April for Labor Management

The policy only applies to classifications in Unit 6 ~~with the exception of the courtroom assignment for Judicial Assistants.~~

Knowledge, Skills and Abilities Required

In order for an employee to be considered for a SME assignment, the employee must first demonstrate they have the knowledge, skills and abilities necessary to accurately convey the process of a task and or assignment to another employee. A panel comprised of the department manager, department supervisor(s) and a Senior Judicial Assistant, or any combination thereof, will gage the employee's knowledge, skills and abilities by having the employee demonstrate how they would explain and walk an employee through completing a specific task and or assignment. The employee must be evaluated by a minimum of two (2) people. If the evaluators are in disagreement as to determining whether the employee has the skills and abilities necessary to perform as a SME, the manager will make a final determination and review their decision with their director.

An employee who is not approved to be a SME will not be disciplined as conveying and demonstrating a process to another person is different and apart from them processing the actual work independently.

Role of a SME

A SME expands on the information that has already been provided to the employee through the department manager and or supervisor(s) by demonstrating how to complete a task and or assignment from beginning to end. This provides the employee the opportunity to see the procedures completed step by step in person after having discussed them verbally with their management team. The SME is required to use the approved procedures, guides or checklists as they complete the task and or assignment. This enables the employee to ask questions while observing the step by step process. Once completing the step by step process, the SME will then observe the employee while they complete the task and or assignment and ensure the employee is utilizing the approved materials. A SME is expected to answer any general procedural questions and clarifying questions. Lastly, a SME is expected to communicate with the management team during their assignment to provide a daily progress report.

Responsibilities Not Assigned to a SME

A SME is not responsible for measuring and or analyzing the performance of the employee and they do not validate and or sign off on the employee's ability to do the job. Additionally, a SME should not be coaching or counseling the employee on their performance or conduct. These remain the sole responsibility of the employee's management team.

Management Responsibilities

The manager and or supervisor(s) are responsible for ensuring the SME, and the employee they are assigned to work with, are using the most up-to-date procedures, policies, checklists and or guides. The SME will be provided with a packet containing instructions on the role of a SME, confirmation of the task and or assignment they will be demonstrating to the employee, the anticipated timeline for the assignment and communication expectations. Prior to the SME beginning the assignment, someone from the management team will meet with the employee who is assigned to the SME to explain the task and or assignment they will be learning, provide them with the most up-to-date procedures, policies, checklists and or guides and provide them some background information on the SME (i.e. how long the SME has worked for the Court and or been in the department and their experiences). The management team will be responsible for identifying the work that will need to be reviewed once the employee begins to perform the task and or assignment on their own with the guidance of the SME. The department manager, supervisor or Senior Judicial Assistant will review the work product and then meet with the employee to review errors or any areas where the employee can improve. Once the department manager or supervisor has determined the employee's performance is at a place for review and validation, a final review of their performance will be completed by the department manager, supervisor, or a Senior Judicial Assistant.

Management will also be responsible for completing the SME's time card appropriately so that the SME receives the differential pay on the days they are performing in the assignment. If a SME is scheduled to work with an assigned employee, but due to operational needs, is pulled to work in another area or on another task, the management team must ensure they do not code the SME's timesheet with the differential pay. If the SME is only scheduled to work with the employee for a few hours, they will receive the differential pay for the entire day even though they may have only worked a few hours in this capacity.

Submission of Request for a SME Assignment

All managers will be required to complete and submit a form to their director to request a SME assignment. The information that the manager will need to provide is as follows:

- The task and or assignment the SME will be performing;
- The name of the employee who will be learning the task and or assignment;
- The name of the employee the manager has chosen to be a SME;
- Identify if the person selected by the manager to be the SME has performed in this capacity before, and if so, when and for what;
- Confirms the SME has not received a rating of "Needs Improvement" or "Unsatisfactory" in the past two (2) years on their evaluation in the area the manager would like to assign them to AND has not received a "Needs Improvement" or "Unsatisfactory" rating on their evaluation in the last year regarding employee conduct and or recently received any form of Formal Discipline as outlined in the Personnel Manual;
- Expected duration of the assignment; and
- Confirmation that both the employee and the SME are available during the time the manager has set for the assignment (i.e. no one will be out on vacation or on a leave of absence).

Courtney Howard 3-27-19

Alvisei Rodman 3-27-19