

**SIDE LETTER AGREEMENT TO THE  
2019-2023 MEMORANDUM OF UNDERSTANDING  
BETWEEN THE COUNTY OF ORANGE AND THE  
ORANGE COUNTY MANAGERS ASSOCIATION**

The County of Orange (County) and the Orange County Managers Association (OCMA) agree to revise the provisions in Article I, Section 2 as set forth in the 2019-2023 Memorandum of Understanding for the Administrative Management Unit as provided below. This Side Letter shall be effective beginning with the first full pay period following approval by the Board of Supervisors.

**ARTICLE I            WORK PERIOD AND PAY PRACTICES**

**Section 2.            General Salary Provisions**

- A. The administrative management salary structure is based on classification placement on a Broadband salary schedule. The structure includes an “advertised minimum” salary rate which increases to an “advertised maximum” salary rate (the control point), and upon approval and adoption of the eligibility criteria by the Board of Supervisors, additional compensation reserved only for outstanding performance.
- B. Manager’s salaries may reach the top of the administrative management “advertised maximum” rate through annual increases provided to eligible management employees.
- ~~C. The outstanding performance component of the Administrative Management salary ranges shall not be used for the purposes of recruiting, market adjustments or other non-performance related reasons. Under no circumstances shall the outstanding performance component of the Administrative Management salary ranges be utilized for salary adjustments outside of a Board adopted and funded performance management program.~~
- ~~D. In limited circumstances and upon recommendation of a Department Head, the County Executive Officer may authorize salary placement in the “Reserved for Outstanding Performance” salary range for any of the reasons described in Sections 3 through 5 below, when there is a direct and measurable benefit to the County from such salary placement.~~
- G.E. See Article XX (Compensation) for other provisions relating to managers’ compensation. Adoption of a new compensation system may alter the foregoing provisions (Section 2A.-~~D.G.~~) regarding employee compensation.

### Section 3. Pay for New Employees

- A. The salary for new employees or newly promoted employees shall normally be at the minimum of the salary range in effect for the particular class or position in which the new employee is hired except as provided in Section 3.B. below.
- B. An Agency/Department Head may authorize that a particular position be filled at any rate within the salary range, up to the top of the advertised maximum rate of the range. In determining the salary offer, the Agency/Department Head shall consider the following:
  - 1. The market demands a greater salary offer;
  - 2. The candidate's previous education, training, experience and employment references enable the candidate to make an immediate greater contribution to the County;
  - 3. The offer does not negatively impact the department's budget or internal salary relationships within the Department or Countywide.

### Section 4. Salary on Promotion

- A. Except as modified by Section 4.B. below, a regular, limited-term, or probationary employee who is promoted to a position in a management class, or who is appointed to a new position within the same management class through a recruitment process, shall generally begin at the minimum advertised rate on the salary range for that class. However, employees shall not receive a decrease in salary on promotion to a management class.
- B. An Agency/Department Head may authorize that a particular position being filled by a promotion, as described in Section 4 (A) above, to be paid at any salary level up to the top of the maximum advertised rate of the salary range for the position. The Department Head shall take into consideration, when making the salary offer, the same factors as outlined in Section 3.B. above. Salary increases of 15% or greater require pre-approval from the Chief Human Resources Officer, the Deputy CEO (for non-elected departments heads), and the CEO.

### Section 5. Salary on Reassignment

- A. When a regular, limited-term, or probationary employee is reassigned from one assignment to another comparable assignment within the same management class and salary range, the employee's salary shall not change. Such employee shall have the same probation status.
- B. Temporary or permanent movement from one assignment to another within the same management class and salary range shall include salary movement when the incumbent's new, full time temporary or permanent assignment changes as follows:

1. Incumbent assumes full supervisory responsibility of management or supervision of high-level non-management staff. As determined by the Agency/Department Head, the amount of salary movement is that which maintains at least a 5.5% to 7.5% differential between the highest paid subordinate and supervisor not to exceed the maximum advertised rate of the salary range. Salary increases of 15% or greater require pre-approval from the Chief Human Resources Officer, the Deputy CEO (for non-elected department heads) and the CEO. Performance awards, including lump sum payments, may not be considered as a factor in equity or reassignment adjustments.
2. Incumbent assumes substantial additional responsibility for an assignment that the Agency/Department Head can document is difficult to fill and/or critical to the Department’s operations. The amount of salary movement shall be 5.5% and shall not exceed the maximum advertised rate for the class.
3. Incumbent assumes substantial responsibility for an assignment that the Department Head determines that the incumbent is the recognized technical expert for a complex, clearly identifiable area. The amount of salary movement shall be 5.5% and shall not exceed the maximum advertised rate for the class.

All other terms and conditions contained in the 2019-2023 Administrative Management Unit MOU executed between the County and OCMA not specifically amended by this Side Letter Agreement shall remain unchanged and be unaffected by this Side Letter Agreement.

County of Orange:

OCMA:

\_\_\_\_\_  
Tom Hatch    Date  
Chief Human Resources Officer

\_\_\_\_\_  
Mark McDorman    Date  
OCMA Executive Director

\_\_\_\_\_  
Colette Farnes    Date  
Director, Employee & Labor Relations

\_\_\_\_\_  
Greg Boston    Date  
OCMA President

\_\_\_\_\_  
Susie Baker    Date  
Manager, Classification & Compensation