

10/02/2018

Mr. Jim Randall **Executive Director** Frankfort Square Park District 7540 W. Braemar Lane Frankfort, IL 60423

Dear Mr. Randall:

Campfire Concepts has conducted an internal pay equity study for each of the full-time job titles within the Frankfort Square Park District (FSPD). In addition, we have also completed a review of the pay structures for part-time positions within the District. The findings from the study are presented in this report, "An Internal Equity Salary Study". A preliminary report was submitted to the Frankfort Square Park District on September 6, 2018, for review and comment. The report contains the results of the study efforts relating to District's salary administration plan. Per the committee's review of the available data, the findings suggest that FSPD's pay system for their full and part-time employees is equitable by gender and department/area.

One of the first steps for the study was to organize a salary administration committee. The establishment of this committee involved a series of meetings with key Park District employees that resulted in the establishment of a four-person committee. The committee members included: Audrey Marcquenski (Director), Nicolette Jerik (Recreation Supervisor), Jarrod Scheunemann (Campfire Concepts), and Mike Mulvaney (Campfire Concepts).

Next, the committee discussed the mission, values, and goals of the District to determine the (compensable) factors that would be used to measure each full-time position. Six compensable factors were identified by the committee: authority, job responsibility, education, magnitude, job preparation, and working conditions. Each of the factors was weighted based on their relevance to the District's mission and goals. The process resulted in the following maximum weights for each factor: authority (90 points), job responsibility (75 points), education (90 points), magnitude (75 points), job preparation (50 points), and working conditions (45 points).

The next step in the internal equity study was to review the District's job descriptions to ensure each were current and provided a comprehensive summary of the responsibilities associated with each job title. Discussions with District administrators and reviews of the existing job descriptions led to the committee confirming the job descriptions were current and accurate. To supplement the information contained within each job description, a position questionnaire form was also designed. Each full-time employee received a position questionnaire and was requested to complete and return it to the committee for use in the study.

Utilizing job descriptions and completed position questionnaires, all of the District's positions were evaluated and ranked by the committee. More specifically, each member of the committee used the compensable factor rating forms to independently evaluate each of the twelve full-time positions. Following the independent evaluations by each member of the committee, a meeting was scheduled to review and discuss the (independent) evaluations for each position. In the course of the committee's review, several adjustments were made where it was felt that the preliminary evaluations contained some discrepancies (among the committee). The discussion led to the development of a compensable factor point total for each of the District's twelve fulltime positions.



Results of the position evaluations were used to assign each position to the appropriate position (pay) grade. Six salary grades were established based on these results. Overall, the findings suggest the District has a pay system for their full-time employees that is internally equitable by gender and department/area. Assignment of each position to a salary grade facilitates the development of sound, equitable, and workable internal relationships, and should assist the District in making objective, logical comparisons to external salary data.

Based on the results of the internal pay equity study and the District's current situation, the following general recommendations have been developed:

Maintain awareness of elements needed to establish a compensation system. When developing a system for administering the District's direct compensation program (i.e., monetary rewards provided to each employee for work done and performance results achieved), there are two elements to consider. The two elements are base pay and variable pay. Base pay represents the basic compensation that each employee receives. Base pay is typically categorized as hourly or salaried. Hourly pay is based on time while salaried employees receive the same payment each period regardless of the number of hours worked. In contrast, variable pay is linked directly to individual, team, or agency performance. Bonuses, stock options, and incentive programs are the most common types of variable pay. Currently, the Frankfort Square Park District utilizes a base pay system. Based upon the findings from the current study, Campfire Concepts recommends the continued use of a base pay program for the District's direct compensation system.

It is recommended that the District also formally establish a compensation philosophy. Management literature has identified two basic compensation philosophies that lie on opposite ends of a continuum: entitlement and performance. The entitlement philosophy assumes that individuals who have worked another year are entitled to pay increases, with little regard for performance differences. Providing employees with an automatic pay increase (i.e., each employee receives a 2% raise) every year is the most recognized pay strategy for agencies choosing to adopt this philosophy. A performance philosophy requires that compensation changes reflect performance differences. Agencies employing this philosophy do not guarantee additional or increased compensation simply for completing another year of service. Rather, the agency structure pay and incentives to reflect performance differences among employees (i.e., o% raises for employee's performance "below standards"; 3% raises for employees "meeting standards", and; 6% raises for employees "exceeding standards"). Many agencies develop a compensation philosophy that includes aspects of an entitlement philosophy with a heavier emphasis on performance. For instances, an agency might provide a 1% raise to all employees at the end of the fiscal year (i.e., entitlement) while distributing the agency's remaining raise monies in the form of performance-based raises.

- Consider results of internal equity study. Based upon the results of the internal equity study, six (pay) position grades were recommended. Typically, each position grade would be assigned its own pay range with each job title (within the position grade) receiving direct compensation within that pay range. With this in mind, the following job titles corresponded to the six position grades:
 - Grade 1: Laborer; Clerical; Park Maintenance Lead
 - Grade 2: Assistant to the Executive Director, Assistant Superintendent of



Parks, & Office Manager

Grade 3: Recreation Supervisor; Athletic Supervisor

Grade 4: Superintendent of Parks; Superintendent of Recreation

Grade 5: Director

Grade 6: Executive Director

While it appears the District's current pay for each employee is generally in alignment with the six proposed (pay) position grades, the District is encouraged to consider if any individual salary adjustments are needed as a result of the study. Job positions are also listed within six grade levels as identified by the committee. The District is also encouraged to consider if any job titles should be moved into different position grades as part of the review process within the recommended timeframe. Recommended timeline for review and completion: 4 years.

- Scheduled reviews and updates of District's job descriptions. Public parks and recreation is a dynamic environment. The primary duties and responsibilities for public park and recreation professionals can fluctuate and change over time. As a result, the Frankfort Square Park District should complete scheduled job analyses to review and update each job description. It is recommended that the District consider reviewing the job descriptions on a scheduled basis of once every 2-3 years. It is also recommended that the District employ a collaborative approach to the job analysis process. In completing this collaborative process, the job incumbent and supervisor should collectively review the existing job description and discuss its accuracy and, when needed, delete tasks no longer performed and/or identify a list of additional job domains and tasks. Engaging both the job incumbent and supervisor in the process can not only improve the accuracy of the job description but research has also found the process to: (1) be an effective tool for enhancing job-related autonomy, a necessary precondition for employee growth; (2) provide employees with a voice into the scope and responsibilities associated with the job; (3) enhance employee ownership in the job as it provides the employee a personal stake in the process, and; (4) generate a stronger atmosphere of cooperation and employee support. Recommended timeline for review and completion: 4 years.
- Complete scheduled reviews of the internal pay equity within the District. As noted above, it is likely the scope and responsibilities for each job title within the Frankfort Square Park District will evolve over time. In addition to maintaining job descriptions that are accurate reflections of the duties and responsibilities within each job title, the District must also ensure the internal pay equity for each position is also current. Campfire Concepts recommends the District schedule and complete an internal pay equity study at a pace that keeps up with the changing job responsibilities (i.e., every years). Special consideration should be given to areas of historically noticeable gender equity concerns when comparing departments (i.e., parks and recreation). A recommended strategy is to establish a compensation committee within the District that is comprised of 3-5 employees. To foster "buy-in", it is suggested that the committee be populated by taking a cross-sectional slice of employees within the District. The crosssectional slice could include a mix of departments/areas (i.e., parks, recreation, etc.) and levels within the District (i.e., entry-level, mid-level, upper-level, etc.). Recommended timeline for review and completion: 2 years.



- Ensure external equity has been met. Campfire Concepts completed an internal pay equity study for the Frankfort Square Park District. To fully ensure the District's employees perceive fairness between what they do and what they receive, external equity must also be considered. External equity refers to the extent to which the District pay for each job title is similar/dissimilar to the pay of other employees performing similar jobs in other agencies. Currently, the District has utilized salary survey data from secondary sources (i.e., IPRA Salary Study, NRPA, local market data, etc.) to ensure external pay equity is maintained among their employees. Campfire Concepts encourages the District to continue monitoring the external salary data to enable the District to maintain its successful efforts in recruiting and retaining qualified and high-demand employees. Recommended timeline for review and completion: 2 years.
- **Establishment of pay ranges for part-time positions.** The current study also examined the wages of part-time employees within the Frankfort Square Park District. Overall, the findings suggest the District has a pay system for their part-time employees that is internally equitable by gender and department/area. Campfire Concepts recommends the District maintain this equitable pay system by establishing pay ranges for their part-time positions. When establishing these pay ranges, the District may want to also consider and plan for the potential increase in (state) minimum wage amounts. Once the pay ranges have been established, the District could consider employing a compensation philosophy that includes aspects of both entitlement and performance-based pay increases. For example, the District may want to consider providing a .25 cent (per hour) pay increase to part-time employees after completing a year of service. The District could also set aside an additional .25 cent raise money to be distributed based on individual employee performance. For instance, a part-time employee who completed one year of service and had "exceeded standards" would be eligible for a .50 cent raise (i.e., .25 cent entitlement raise plus a .25 cent performance-based raise). Recommended timeline for review and completion: 2 years.

In closing, the findings from the study suggest the Frankfort Square Park District has compensation system that has internal pay equity. The results of this project which are reflected in the An Internal Equity Salary Study report provide the District with a recommended pay structure that is designed to assist in continuing the District's growth and expansion of services.

With sincere thanks,

Jarrod Scheunemann President, Campfire Concepts