Personnel & Affirmative Action Committee Agenda
Per Governor’s Executive Order N-29-20 and Assembly Bill 361, Meeting to be held via Tele-Conference. Members of the public may join the tele-conference or listen to the call from the CAPK office at 5005 Business Park North, Bakersfield, CA  93309

1. Call to Order

2. Roll Call
   Maritza Jimenez (Chair)          Nila Hogan           Guadalupe Perez
   Joe Garcia                      Jonathan Mullings

3. Public Forum

   The public may address the Board of Directors on items not on the agenda. Speakers are limited to 3 minutes. If more than one person wishes to address the same topic, the total group time for the topic will be 10 minutes. Please state your name before making your presentation.

4. New Business
   a. CAPK Employee Retention Incentive – Action Item (p. 2-22)

      Traco Matthews, Chief Program Officer
      Tracy Webster, Chief Financial Officer
      Lisa McGranahan, Director of Human Resources

5. Committee Member Comments

6. Next Scheduled Meeting

   Personnel & Affirmative Action Committee
   12:00 pm
   Wednesday, May 4, 2022
   5005 Business Park North
   Bakersfield, CA  93309

7. Adjournment

This is to certify that this Agenda Notice was posted in the lobby of the CAPK Administrative Office at 5005 Business Park North, Bakersfield, CA and online at www.capk.org by 12:00 pm, April 1, 2022. Margaret Frazier Sanchez, Assistant to the Director.
MEMORANDUM

To: Personnel Committee

From: Tracy Webster, Chief Financial Officer
Traco Matthews, Chief Program Officer
Lisa McGranahan, Director of Human Resources
Jerry Meade, Assistant Director, Program

Date: April 6, 2022

Subject: Agenda Item 4a: CAPK Employee Retention Incentive – Action Item

At the Personnel Committee on March 9, 2022, CAPK Management proposed the Employee Retention Incentive as an informational item and requested feedback from the Committee. Below is the final proposal for approval of the Personnel Committee.

In an effort to reduce high employee turnover rates and lengthen employees’ service time with the agency, CAPK is introducing a temporary Retention Incentive Plan. Due to COVID-19, CAPK faced increased levels of challenges and stressors. Many of our employees put themselves at risk of keeping operations running. Despite these challenges, our employees prevailed and adapted to the ever-changing environment. As such, CAPK is proposing this incentive plan that will apply to all employees, including full-time, part-time, temporary, and emergency hires.

Employees on active status on Date of Approval from the Board of Directors March 30, 2022, and retained through August 26, 2022, will receive this incentive (Paid September 9, 2022). Additionally, employees on active status on or before August 26, 2022, and retained through December 2, 2022, will receive the second incentive (Paid December 16, 2022.)

The first $1,000.00 retention incentive will be paid to all eligible CAPK employees on the pay date in which the respective August 26, 2022, pay period is processed. A second $1,000.00 retention incentive will be paid to all eligible CAPK employees on the pay date in which the respective December 2, 2022, pay period is processed. The incentive will be processed through Payroll and will be considered taxable wages. Incentives will be expensed to the program(s) or project(s) that receive the benefit of the retained employee.

Recommendation:
Staff recommends the Board of Directors approve the CAPK Employee Retention Incentive.

Attachments:
Retention Incentive Presentation
Retention Incentive Policy
CAPK Employee Retention Incentive

PRESENTED BY:
TRACO MATTHEWS, CHIEF PROGRAM OFFICER
LISA MCGRANAHAN, DIRECTOR OF HUMAN RESOURCES
JERRY MEADE, ASSISTANT DIRECTOR HEAD START
TRACY WEBSTER, CHIEF FINANCIAL OFFICER
CAPK Employee Retention Rates
Turnover Rate Annual:
January 1, 2018 – December 31, 2021
## Turnover Rate Annual:
### January 1, 2018 – December 31, 2021

<table>
<thead>
<tr>
<th>Year</th>
<th>Involuntary Rate</th>
<th>Voluntary Rate</th>
<th>Total Turnover Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>5.07%</td>
<td>13.36%</td>
<td>18.43%</td>
</tr>
<tr>
<td>2019</td>
<td>3.99%</td>
<td>16.09%</td>
<td>20.08%</td>
</tr>
<tr>
<td>2020</td>
<td>3.09%</td>
<td>14.78%</td>
<td>17.87%</td>
</tr>
<tr>
<td>2021</td>
<td>2.61%</td>
<td>20.41%</td>
<td>23.02%</td>
</tr>
</tbody>
</table>

In 2021, 188 employees voluntarily left CAPK
### Highest Voluntary Turnover of Positions: 2021

<table>
<thead>
<tr>
<th>Position</th>
<th>2021 Turnover</th>
<th>Position</th>
<th>2021 Turnover</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeless Services Custodian</td>
<td>159.74%</td>
<td>Enrollment Technician</td>
<td>54.89%</td>
</tr>
<tr>
<td>Administrative Clerk</td>
<td>133.67%</td>
<td>Accountant</td>
<td>53.40%</td>
</tr>
<tr>
<td>Homeless Services Navigator</td>
<td>120.03%</td>
<td>Billing Technician – Energy</td>
<td>52.14%</td>
</tr>
<tr>
<td>Senior Community Development Specialist</td>
<td>116.61%</td>
<td>Business Technician</td>
<td>51.70%</td>
</tr>
<tr>
<td>WIC Degreed Nutritionist</td>
<td>85.68%</td>
<td>Eligibility Specialist – Energy</td>
<td>52.14%</td>
</tr>
<tr>
<td>Receptionian</td>
<td>78.37%</td>
<td>Attendance Technician</td>
<td>42.39%</td>
</tr>
<tr>
<td>Homeless Shelter Worker</td>
<td>76.68%</td>
<td>Family Advocate</td>
<td>42.07%</td>
</tr>
<tr>
<td>Program Educator – FHCC</td>
<td>75.88%</td>
<td>CalFresh Healthy Living Health Educator</td>
<td>39.31%</td>
</tr>
<tr>
<td>Community Development Specialist</td>
<td>75.73%</td>
<td>Eligibility Technician – Energy</td>
<td>39.17%</td>
</tr>
<tr>
<td>EHS Assistant</td>
<td>74.09%</td>
<td>WIC Nutrition Assistant</td>
<td>38.39%</td>
</tr>
<tr>
<td>Custodian</td>
<td>70.39%</td>
<td>WIC Clerk</td>
<td>36.96%</td>
</tr>
<tr>
<td>Case Manager – FRC</td>
<td>68.39%</td>
<td>Assistant to the Director</td>
<td>31.82%</td>
</tr>
<tr>
<td>Human Resource Generalist</td>
<td>67.34%</td>
<td>Early Head Start Teacher</td>
<td>28.01%</td>
</tr>
<tr>
<td>Maintenance Technician I</td>
<td>57.39%</td>
<td>Food Production Driver</td>
<td>27.94%</td>
</tr>
<tr>
<td>WIC Nutrition Assistant II</td>
<td>56.94%</td>
<td>EHS Home Base Educator</td>
<td>26.80%</td>
</tr>
</tbody>
</table>

Staff turnover is affecting every department.
High Turnover Impacts Program Delivery

**PROGRAM IMPACT:**
Head Start – Children are not served, and classrooms cannot be open. State contract cannot be earned
Energy – Slow service for utility assistance and inability to service weatherization for households
M Street – Unsafe work conditions and inability to provide wrap around services
WIC – Inability to serve clients and loss of revenue share in the community
Food Bank – Strain on existing staff
211 – Inability to manage incoming calls especially during a crisis

**ADMINISTRATIVE IMPACT:**
Administration – Delays in the timelines required for grant writing and reporting
Human Resources – Multiple impacts to staff and programs
Finance – Multiple impacts to staff and programs
IT – Delays in the delivery and maintenance of technology tools

Not quantifiable – Low morale, reduced job satisfaction, stress and disengagement
Cost of Recruitment
Offer-Phase Costs
• Staff time to draft and maker offer $ 100
• Livescan, CCL, pre-hire physical $ 750

Post-Offer Costs
• New hire communication $ 100
• Orientation, Safety Training $1,000
• Transition time (site training) $3,000
• IT support (hardware/software) $1,000

$5,950 per employee

188 employees x $5,950 = $1,118,600
in recruitment/training
2022 Employee Retention Incentive
Strategic Goal 4: “CAPK seeks to be an employer of choice and attract and retain a high-quality workforce to achieve the organization’s desired results.”
Proposed Retention Incentive Policy

• $1,000 retention incentive paid to eligible employees on August 26, 2022
• $1,000 retention incentive paid to eligible employees on December 2, 2022
• Incentive processed through payroll with applicable taxation
• Incentives expense to the program(s) that receive the benefit of the retained employee.
<table>
<thead>
<tr>
<th>Date of Hire</th>
<th>Date of Leave of Absence</th>
<th>Employment End Date</th>
<th>August Incentive</th>
<th>December Incentive</th>
</tr>
</thead>
<tbody>
<tr>
<td>On or before 4/27/2022</td>
<td>N/A</td>
<td>N/A</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>On or before 4/27/2022</td>
<td>N/A</td>
<td>8/25/2022</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>On or before 4/27/2022</td>
<td>05/16/2022-08/30/2022</td>
<td>N/A</td>
<td>Yes (upon return from leave)</td>
<td>Yes</td>
</tr>
<tr>
<td>On or before 8/27/2022 but after 4/27/2022</td>
<td>N/A</td>
<td>N/A</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>On or before 8/27/2022 but after 4/27/2022</td>
<td>N/A</td>
<td>11/30/2022</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>On or before 8/27/2022 but after 4/27/2022</td>
<td>11/30/2022-01/08/2023</td>
<td>N/A</td>
<td>No</td>
<td>Yes (upon return from leave)</td>
</tr>
</tbody>
</table>
Financial Impact
## Projected Fiscal Impact

<table>
<thead>
<tr>
<th>Category</th>
<th>Stipend – 100% Retention</th>
<th>Stipend – 90% Retention</th>
<th>Stipend – 80% Retention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head Start</td>
<td>1,188,000</td>
<td>1,069,200</td>
<td>950,400</td>
</tr>
<tr>
<td>Other Programs</td>
<td>558,000</td>
<td>502,200</td>
<td>446,400</td>
</tr>
<tr>
<td>Prohibited</td>
<td>38,000</td>
<td>34,200</td>
<td>30,400</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$1,784,000</strong></td>
<td><strong>$1,605,600</strong></td>
<td><strong>$1,427,200</strong></td>
</tr>
</tbody>
</table>

Total Annual Payroll = $37,500,000
Strategy for the Future
Ongoing Strategy

2022 Retention Stipend is not a long-term solution. CAPK leadership will be engaged in the following:

- Succession Planning (Goal 4.1.1)
- Standardized Onboarding and Training Plan (Goal 4.1.2)
- Compensation benchmarking (Goal 4.2.1)
- Integrate staff development plan into performance reviews (Goal 4.2.2)
- Staff engagement surveys (Goal 4.2.3)
Ongoing Strategy

2022 Retention Stipend is not a long-term solution. CAPK leadership will be engaged in the following:

- Establish and engage DEI Committee (Goal 4.4.1)
- Revise the review process to an interactive discussion/career plan discussion (stay interviews)
- Staff development
Q & A