

TO: Personnel Board

FROM: Sarah Olson, Human Resources

DATE: January 15, 2015

SUBJECT: Finance Department Recommendations

Finance Director David Schmiedicke has requested a study of the reporting structure within the Finance Department, specifically the Accountant 4 classification. He is interested in developing a structure in the Accounting Services area that would allow for management level responsibility over functional areas, including staff supervision, reporting to the Accounting Services Manager. Based on a review of the submitted position descriptions, discussions with Mr. Schmiedicke and Ms. McDermott, and a review of other City department organizational charts, I recommend the following actions for the reasons outlined in this memo:

- One new professional classification of Principal Accountant be created in CG18, Range 14, to provide supervision and higher-level accounting work within the Finance Department. This classification will report to the Accounting Services Manager.
- Finance is requesting 3 positions of Principal Accountant be created to be posted through an internal competitive process. Upon completion of the process, the underlying vacancies will be deleted to fund the new positions. The three positions will oversee 1) the administration of the ERP system and Principal Accounting, 2) city-wide procurement and professional and technical functions on behalf of the Community Development Authority (CDA) Redevelopment and Housing Funds, and 3) payroll/benefit administration.

The current organizational structure within Finance includes the areas of Budget & Audit Services, Administrative Services, Risk Management and Accounting Services. The Accounting Services section is divided into 3 sub-areas: General Accounting, Payroll, and Enterprise Accounting/Purchasing. The Accounting Services Manager (CG18, Range 17) oversees all 3 sub areas, (see attached). The Accountant series currently functions as follows: Accountant 1 (CG18, Range 6) is an entry level classification working on more routine assignments; Accountant 2 (CG18, Range 8) is the objective level and employees perform professional assignments requiring developed judgment and discretion in the application of professional accounting theory; Accountant 3 (CG18, Range 10) is limited program supervisor level and/or advanced project level work and may include supervision of professional, paraprofessional, and/or clerical employees; Accountant 4 (CG18, Range 12) is advanced program supervisor level work and employees at this level develop and supervise major City Accounting functions. This level is distinguished from the Accountant 3 level in that employees function with a higher degree of independence (i.e. receive less supervision), the work is more developmental in nature (as opposed to administrative), and employees are delegated greater authority in developing and implementing complex accounting programs. This series is structured to provide advancement from Accountant 1 to Accountant 2, as a function of the employee's career development and generally occurs after two years of starting employment as an Accountant 1. Progression to an

Accountant 3 or 4 is not automatic, but rather is dependent upon the incumbent taking on additional duties and responsibilities as well as the needs of the department and is generally accomplished through competition. At the present time, there are three incumbents in the Accountant 4 classification serving as “advanced level program supervisors” of their respective area (General Accounting, Payroll, and Enterprise Accounting/Purchasing) and who have leadership responsibility as a primary function of their job.

Mr. Schmiedicke has evaluated the needs of the Finance Department and is requesting that the Accountant 3 classification no longer be utilized for the formal supervision of staff or having the final decision making authority over operations, policies, internal controls, or system development. Rather, the Accountant 3 would perform advanced project level work without the additional duties of supervision of staff. There is only one incumbent in the Accountant 3 position that was just hired in June of 2014 and the position description when hired stated: “Perform professional and technical functions in purchasing and proprietary fund accounting, develop, and assist with ERP and other city-wide subsidiary systems, and assist staff in order to manage daily activities and projects for purchasing and proprietary accounting funds.” There is no mention of supervision of staff or having final decision making authority, thus this change will not affect current duties for any current incumbents. In addition to evaluating the Accountant 3 classification, Mr. Schmiedicke requests that the Accountant 4 classification be reserved for advanced-level professional accounting work, but that the Accountant 4 not have the formal supervisory responsibility over a team or functional area. An Accountant 4 may be asked to supervise or lead lower-level staff on a project basis. However, a new classification of Principal Accountant should be created with the formal supervisory authority over staff, high-level decision-making responsibility, and responsibility for overseeing multiple projects of significant size/scope/complexity that also requires project and program responsibility. Currently, the Accountant 4s, in Range 12, report directly to the Accounting Services Manager, in Range 17, and the Accounting Services Manager retains responsibility for the entire accounting function for the City. The Principal Accountant classification would allow for some of the decision-making and large project management to occur at that level, with the Accounting Services Manager retaining the high-level authority over accounting. The Principal Accountants will also be expected to provide formal supervision to staff, including the authority for actions such as making hiring and promotional decisions, recommending and enforcing discipline, and resolving grievances.

This requested structure and the functioning of the Accountant 4 series is similar to what happened in the Information Technology Department, and is consistent with other professional classifications. Within IT, a new classification of Principal IT Specialist was approved, also in CG18, Range 14, to provide formal supervision over the various teams of professional IT Specialist 1-4 employees within IT. These Principal IT Specialist employees will report to either the Applications Development Manager or the Technical Services Manager, both in CG18, Range 16. This change allowed the IT Specialist 1-4 series to function similar to what is being proposed for the Accountant series in that the higher levels will be reserved for more complex work and provide for limited project supervision at the 4 level.

In reviewing the appropriate range for the Principal Accountant, the Principal IT Specialist is a strong comparable in that both classifications will have formal supervisory responsibility over their respective teams, and also have major responsibility for managing and overseeing complex

projects. Both classifications will report to high-level managers, but not the Department/Division head. However, in addition to the Principal IT Specialist, similar classifications at this level include: Principal Planner (CG18, Range 15), which is responsible for supervising all of the activities and functions of a Planning Section through the work of Planners 1 to 4 and under the direction of the Planning Division Director; Principal Engineers 1 or 2 (CG18, Range 15 or 16), which have broad responsibility for an overall Engineering program and supervise Engineers 1 to 4; and City Architect (CG18, Range 16), which supervises Architects 1 to 4 in a full range of architectural services for new City building projects and remodeling projects, under the general supervision of the Facilities and Sustainability Manager in the Engineering Division. Because of the similarity to the Principal IT Specialist, it is recommended the Principal Accountant be placed in CG18, Range 14. Positions at a Range 15 and higher typically do not have a layer of supervision between them and the department head, or require a professional certification.

Based on the analysis provided, I recommend a new classification of Principal Accountant to be created in CG18, Range 14, and 3 positions of Principal Accountant created to be posted through an internal competitive process. Upon filling the new positions, the underlying vacancies will be deleted to fund the new positions.

We have prepared the necessary Ordinances and Resolutions to implement this recommendation.

Attachments

Compensation Group/Range	2015 Annual Minimum (Step 1)	2015 Annual Maximum (Step 5)	2015 Annual Maximum +12% longevity
18/12	\$66,919	\$80,790	\$90,484
18/14	\$73,569	\$88,566	\$99,194

cc: David Schmiedicke-Finance Director
Mike Lipski-HR Services Manager