

**California Pay Equity Task Force  
Human Resources Subcommittee Draft Action Plan  
October 12, 2016**

*This document is drafted solely for discussion during the October 24, 2016 Task Force meeting and should not be construed as legal advice or a final recommendation of this subcommittee or the Task Force.*

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**Summary:** The members of this subcommittee regularly advise employers regarding the implementation of sound human resources policies and practices to align with their organizational goals, solve problems, and mitigate legal risk. The subcommittee aims to develop a toolbox of suggested management practices related to the implementation and enforcement of SB 358 and recent amendments to that law signed by Governor Brown on September 30, 2016 (AB 1676 and SB 1063). Each organization is different, and there is no one-size-fits-all compliance strategy. However, we aim to provide high level tips, examples, and factors for employers to consider as they work to comply with the new law.

***Proposed deliverables can address the following topics:***

- Suggested practices for communicating with employees about pay in the workplace:
  - How to allow employees to discuss salaries while also protecting trade secrets and employee privacy
  - Responding to questions/complaints from employees about pay equity
  - Talking proactively with employees about pay equity
  - Communicating with/training managers about pay equity
- Suggested practices for documenting the factors that justify pay decisions and demonstrate the factors relied on are "reasonable" and "account for the entire wage differential":

- How to document factors impacting pay decisions at each phase of the employment cycle:
  - Starting pay (consider how to demonstrate that prior salary is not the exclusive basis for a pay disparity)
  - Pay during employment, including raises, bonus, stock, incentive compensation, and other forms of pay
  - Leaves of absence
- Consider the following types of documents:
  - Performance reviews
  - Job descriptions
  - Disciplinary documentation/performance improvement plans
  - Termination documentation
  - Policies and procedures
  - Training materials
  - Structured data
  - Other documents reflecting the work that employers rely on to set pay
- Suggested structural practices, including how to classify job positions
- Suggested practices for proper retention of relevant documents
  - What documents should be preserved
  - Where to preserve
  - How to preserve (Paper? Electronic? Structured data?)

**Deliverables:** The idea is not to create templates or complete documents for employers, since each employer is different and has different needs. However, we can develop tools such as:

- Tip sheets
- Checklists
- Case studies of employers who model suggested practices
- FAQs

**Potentially overlapping subcommittees:**

- Systems and Functional Infrastructure
- Measuring the Pay Gap
- Evaluating Job Classifications (we propose providing the employer perspective)

**Interdependencies:**

- Definitions
- Challenges and Barriers
- Systems and Functional Infrastructure
- Measuring the Pay Gap