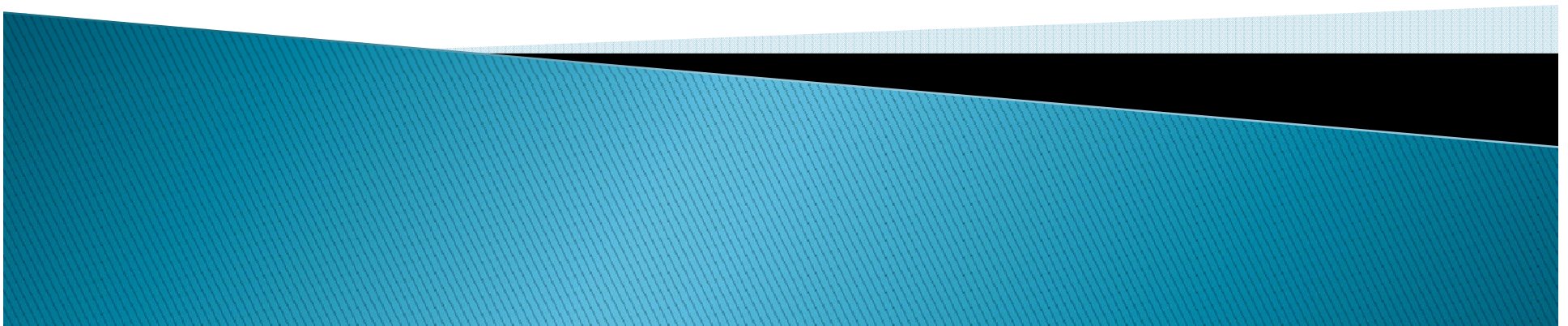


Division of Human Resources Compensation Study Implementation Update

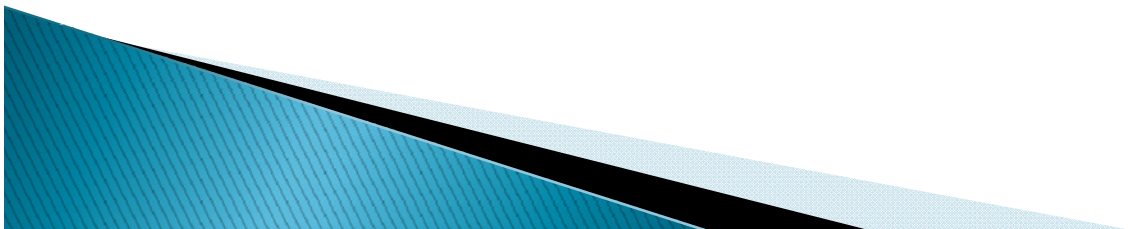
Council Work Session
September 9, 2014



Entrance Rates

(Ord 21–26; 22–23)

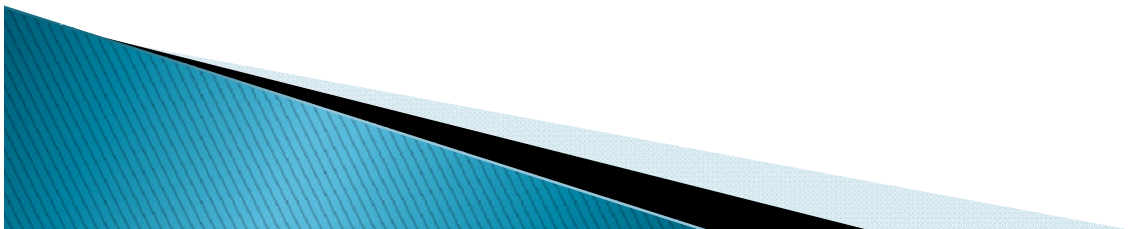
- ▶ **Current**
 - Minimum pay of the grade salary range specified for the class
 - Training and experience analysis
 - Inversion analysis
- ▶ **Recommendation**
 - Minimum of the range to the calculated rate, with a comparison to incumbents in the same classification/division.



Entrance Rates

Methodology

- ▶ Pay grade identified.
- ▶ Recognize experience beyond the minimums.
 - 2:1 for verifiable related experience
 - 1:1 for education at an accredited institution
 - Cap combined credit at seven years
- ▶ Recommended offer could be any amount from the minimum of the range to the calculated rate.



Entrance Rate Calculation Example

EXAMPLE:

Job Classification: *Equipment Operator Senior 614/512*
Minimum Requirements: *2 year(s) of related experience and 12 years of education.*

	Min	Mkt	Mid	Max
FY15 Proposed Pay Range:	\$ 31,827	\$ 38,192	\$ 39,784	\$ 47,740
	Market Zone			

Per-year rate based on 30-year scale for employees in this grade: \$ 530

	Years of Education	Years of Related Experience
Verified:	12	7
Minimum:	<u>12</u>	<u>2</u>
Difference:	0	5

*For
 Mercer using comparative
 FY13 Scale: \$ 30,106 purposes only

***In this case , the offer was capped at \$27,092 to prevent inversions. Offer was declined.**

Step 1. Calculate Experience Credit:

$$\begin{aligned} \text{Total verified years beyond minimums(5) divided by two (2)} &= 2.50 \\ \text{Add years of education beyond minimums} &= \underline{0.00} \\ &= 2.50 \end{aligned}$$

(Capped at 7 Years)

Step 2. Calculate Experience Adjustment to Minimum:

$$\text{Experience credit (2.5) X Per-year rate based on 30-year scale (\$530)} = \$ 1,326$$

Step 3. Calculate Adjusted Offer:

$$\text{Pay grade minimum (\$31,827) + Experience Adjustment (\$1,326)} = \underline{\underline{\$ 33,153}}$$

Recommended Offer

Entrance Rates

Step 5. Level of Approval Required:

		<i>From</i>	<i>To</i>
1. Hiring Division	Grade Minimum - Recommended Offer	\$31,827	\$33,153
2. HR Director	Greater amount up to Midpoint	\$33,154	\$39,784
3. HR Director and CAO	Greater amount up to Maximum	\$39,785	\$47,740

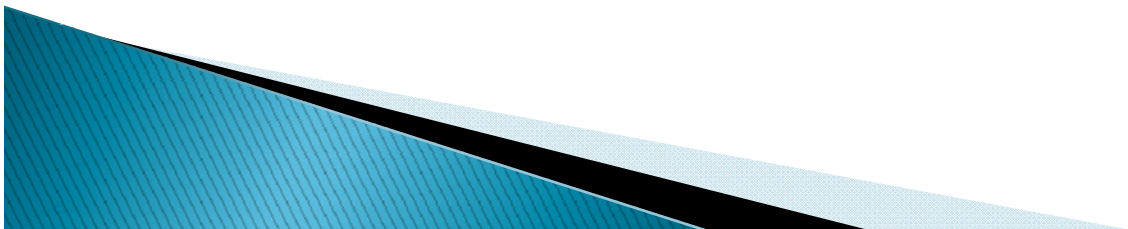
- ▶ The hiring Director or Commissioner has the discretion to request a greater amount (up to midpoint) which can be approved by the HR Director.
- ▶ In exceptional circumstances the HR Director may recommend and the CAO may approve a starting rate between the midpoint and the maximum of the range.
- ▶ Flexibility is KEY to attracting top talent.

Reclassification or Reallocation

(Ord. 21-30; 22-27)

▶ Current

- Minimum increase of 7% if the reclassification or reallocation is to a grade one (1) grade higher; or,
- Increase of 10% if the reclassification or reallocation is to a grade two (2) or more grades higher.
- No reduction in pay if the pay grade is lowered as a result.



Reclassification or Reallocation

▶ Recommendation

- Increase of 7% if the reclassification or reallocation is to a grade one (1) grade higher;
- An additional increase of 3% if it is two (2) grades higher; and,
- An increase of 2% for each additional grade thereafter, not to exceed the maximum of the assigned range.
- Employees whose pay grade is changed to a lower grade through a reclassification or reallocation shall retain their salary at the higher level.

Promotion (Ord 21-26.1(a))

▶ Current

- Minimum increase of 7% if the promotion is to a grade one (1) grade higher; or,
- Increase of 10% if the promotion is to a grade two (2) or more grades higher.
- Appointing authority may approve a compensation rate that is above these minimums.

▶ Recommendation

- Create a new paragraph in Ordinance 21-18.
- Increase of 7% if the promotion is to a grade one (1) grade higher;
- An additional increase of 3% if it is two (2) grades higher; and,
- An increase of 2% for each additional grade thereafter, not to exceed the maximum of the assigned range.

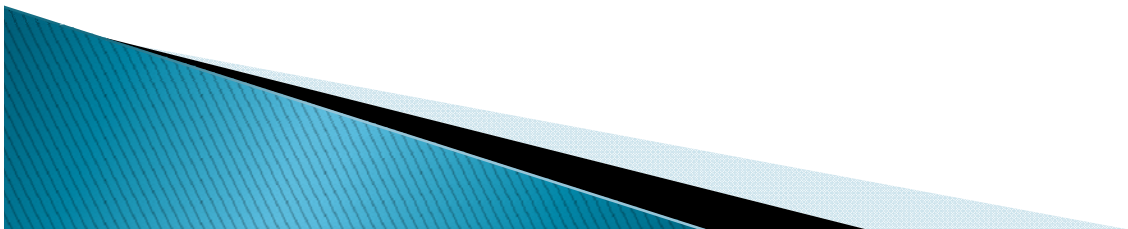
Demotion (Ord 21-26.1(b))

▶ Current

- The employee shall be placed in the grade salary range of the position to which he is being demoted at the salary he was earning before the promotion plus any scale adjustments. If the position was not formerly held, he shall be placed at the minimum of the grade plus any increases received in the higher grade.

▶ Recommendation

- Decrease of 7% if the demotion or new position is one (1) grade lower;
- An additional decrease of 3% if it is two (2) grades lower; and,
- A decrease of 2% for each additional grade thereafter, not to go below the minimum or above the maximum of the assigned range.



Transfers and Lateral Movement

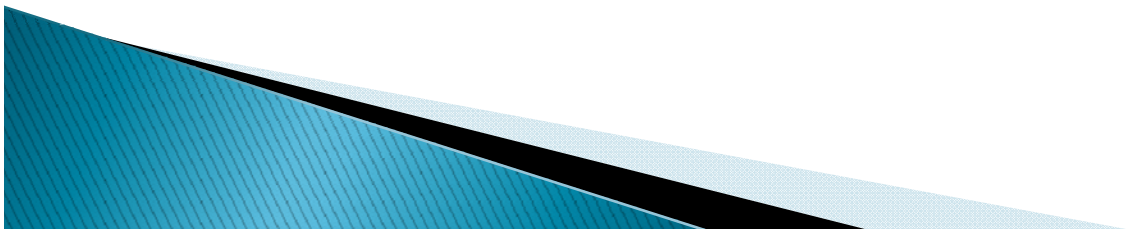
(Ord. 21-17)

▶ Current

- Employees may request to transfer within the same classification throughout government.
- No adjustment in pay.

▶ Recommendation

- Keep existing language and add:
 - If an employee accepts a position in a new job class which is the same pay grade as the current job class, there shall be no adjustment in salary.



Temporary Appointments

(Ord. 21-15)

▶ Current

- Minimum increase of 7% if the appointment is to a grade one (1) grade higher; or,
- Increase of 10% if the appointment is to a grade two (2) or more grades higher.
- Temporary appointment shall not exceed ninety (90) days.

▶ Recommendation

- Increase of 7% if the appointment is to a grade one (1) grade higher;
- An additional increase of 3% if it is two (2) grades higher; and,
- An increase of 2% for each additional grade thereafter, not to exceed the maximum of the assigned range.
- Temporary appointment shall not exceed ninety (90) days.

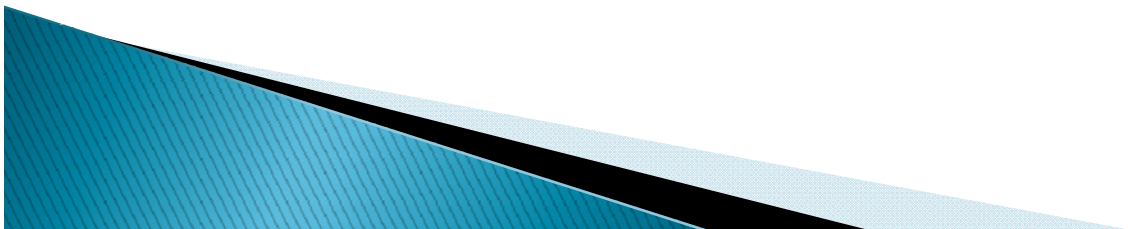
Acting Assignments (Ord. 21-16)

▶ Current

- Begins after fifteen (15) working days.
- Minimum increase of 7% if the assignment is to a grade one (1) grade higher; or,
- Increase of 10% if the assignment is to a grade two (2) or more grades higher.

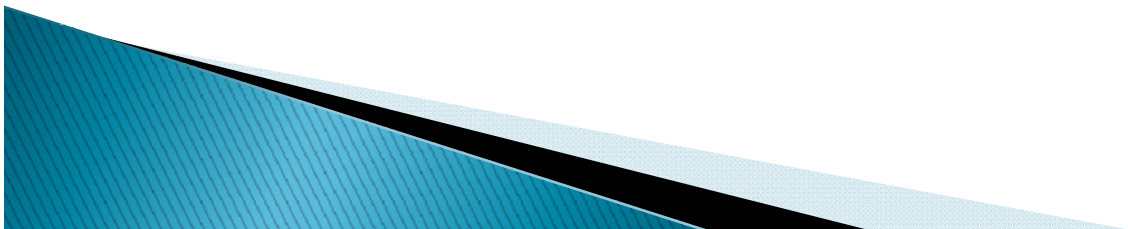
▶ Recommendation

- Begins after fifteen (15) working days.
- Increase of 7% if the assignment is to a grade one (1) grade higher;
- An additional increase of 3% if it is two (2) grades higher; and,
- An increase of 2% for each additional grade thereafter, not to exceed the maximum of the assigned range.



Compensation Philosophy

- ▶ Benchmarking
- ▶ Starting pay
- ▶ Pay increases
- ▶ Remain competitive



QUESTIONS?

