

Agenda Item: 6.

## MEMORANDUM

TO: Personnel, Legislative and Public Affairs Subcommittee

SUBJECT: 2017 Pay Program Administration Manual

DATE: November 29, 2016

FROM: Jean Tait, Administrative Coordinator



At the December 10<sup>th</sup>, 2015 Board of Directors meeting, the P-MRNRD Pay Program for CY 2016 was approved. The plan was prepared by SilverStone Group. After meeting with Silverstone Group and reviewing the compensation information projections for 2017, the following recommendations are suggested for the P-MRNRD Pay Program Administration Manual:

- Increase the base pay structure by 2% in order to keep pay ranges market competitive. The average employee pay increase for CY 2016 was 2.7%.
- Authorize the General Manager to give an additional 1% increase to employees whose performance is continually rated as “Far Exceeds Expectations.”

Every 4 or 5 years the District asks SilverStone Group to prepare a market analysis on P-MRNRD job descriptions in order to compare District pay with the current market. The last analysis was completed in 2013. Management plans to have the next market analysis completed in the summer of 2017, with recommendations to be considered for the CY 2018 Pay Program Administration Manual.

**Staff recommends that the Subcommittee recommends to the Board of Directors that the amendments to the Papio-Missouri River NRD Pay Program Administration Manual for calendar year 2017, be adopted and incorporated into the District Policy Manual.**

# Appendix C



## Pay Program Administration Manual

January  
20176

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# PAY PROGRAM ADMINISTRATION MANUAL

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## Policy:

### Reward Philosophy and Objectives

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The goal of Papio-Missouri River Natural Resources District is to wisely manage and enhance our soil, water, wildlife, and forest resources for the good of all people residing within the District. In order to accomplish our goals, Papio-Missouri River Natural Resources District recognizes the importance of the people who work with us. Papio-Missouri River Natural Resources District's employee reward strategy is designed to compensate performance equitably and comparatively. A major goal of the pay program is to motivate employees to perform their best and to reward excellence.

Objectives for the pay program at Papio-Missouri River Natural Resources District are to:

- Attract, motivate and retain dedicated, high performing employees.
- Complement and enhance the mission and core values of Papio-Missouri River Natural Resources District.
- Pay employees competitively with similar jobs and services in the industry, the local labor market and, when appropriate, the regional and national markets.
- Ensure equitable pay relationships among jobs within the company.
- Reward differences in individual performance.
- Recognize superior achievement and loyalty to Papio-Missouri River Natural Resources District.
- Provide employees ongoing feedback about their performance that will enhance their performance and new skill development.
- Pay employees within "market" comparative pay-ranges of competitive practice for their respective skill sets in the relevant labor market.
- Ensure market competitiveness by market pricing benchmark jobs every two to three years or as deemed necessary based on market trends. Pay changes may be made as needed based on the newly obtained market data.
- Communicate reward plans to employees so they are clearly understood and valued.
- Ensure compliance with government laws and regulations affecting pay.



# PAY PROGRAM ADMINISTRATION MANUAL

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## Policy:

### Base Pay Program Description

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The Base Pay Program for employees at Papio-Missouri River Natural Resources District is a market based pricing system that groups jobs paid similarly in the relevant labor market into pay grades.

Under the program, the following definitions apply:

**Job**—An organizational unit of work composed of tasks, duties and responsibilities performed by an employee or by multiple incumbents. For every job, there is a calculated pay range and a minimum and maximum for the respective range.

**Pay Grade**—A grouping of individual jobs having similar external worth.

**Market Pay Rate**—The typical pay for a job in the relevant labor market as determined by an analysis of pay using published pay surveys. The market pay rate will be the basis for managing employee pay within the pay range.

**Pay Range**—The range of pay from minimum to maximum for a pay grade.

**Pay Grade Minimum**—The minimum pay rate for a pay grade and for all of the jobs within the grade. The minimum is calculated using the midpoint for the grade.

**Pay Grade Midpoint**—The pay that represents the middle of a given pay grade.

**Pay Grade Maximum**—The maximum pay rate for a pay grade and for all of the jobs within the grade. The maximum is calculated using the midpoint for the grade.

**Reclassification**—A change of pay grade assignment for a vacant or occupied job in which restructuring will occur as a result of a management decision to change the objectives and nature of the work performed. This restructuring should create significant and ongoing changes in the duties and responsibilities of a job.

**Green Circle Rate**—Pay rate for a job that is less than the relevant pay grade minimum.

**Red Circle Rate**—Pay rate for a job that is above the relevant pay grade maximum.



# PAY PROGRAM ADMINISTRATION MANUAL

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## Policy:

Base Pay Program Description  
(Continued)

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### Pay Structure Development

It is the policy of the District to provide steady employment at a salary or wage rate comparable to the prevailing rate for similar services in the District. Organizations need to closely monitor the relevant labor markets for job skills to remain competitive and responsive to changes in market conditions. It is important that the organization's pay structure be capable of accommodating such changes. The following steps were taken to measure external competitiveness.

1. Market pay rates for all jobs were determined using national, regional and/or local labor market survey data as appropriate.
2. Jobs with similar market pay rates were grouped together into pay grades.
3. Pay grade minimums, midpoints and maximums were established to create an integrated structure that allows for growth of positions and the creation of new positions.

The pay structure consists of 15 pay grades. The ranges are meant to serve only as broad guides for pay administration.

The first step in implementing the pay program is to ensure that all employees who are performing satisfactorily are paid at least the minimum of the applicable pay range. Pay for any Red Circle employee is frozen; however, a lump sum bonus may be granted in lieu of a pay increase for employees whose performance level is rated at, or above, "Meets Expectations". This option will serve to reward performance without compounding the problem of overpaying the job.

~~The following methodology was used to develop and update the pay structure: (may need to separate out the development and the updating into two sections for next time)~~

- ~~1. In order to develop the original pay structure, the 2009 market pay rates for all jobs were arrayed from high to low. The lowest market rate served as the midpoint of Pay Grade 1.~~
- ~~2. The lowest market rate was subtracted from the highest market rate.~~



# PAY PROGRAM ADMINISTRATION MANUAL

**Policy:**

Base Pay Program Description  
(Continued)

~~This difference was subsequently divided by fifteen (15) in order to generate the dollar amount that would be used to develop the other pay grade midpoints—~~

- ~~3. A 50% pay range spread was used to develop the minimum and maximum for each grade.~~
- ~~4. Between 2009 and 2013, the base pay structure was updated based on third-party published compensation planning data.~~
- ~~5. In 2013, market rates were determined for all jobs in order to ensure market competitiveness. The market rates of the jobs in each pay grade were averaged to develop updated pay grade midpoints.~~
- ~~6. Where necessary, midpoints were adjusted to maintain midpoint increases that were in line with the original structure development.~~
- ~~7. This process resulted in the updated pay structure you see here.~~

Base pay structure as of 1/1/2017~~4~~:

<i>Pay Grade</i>	<i>Minimum</i>	<i>Midpoint</i>	<i>Maximum</i>
15	<del>106,242</del> 104,159	<del>132,803</del> 130,199	<del>159,364</del> 156,239
14	<del>100,397</del> 98,428	<del>125,496</del> 123,035	<del>150,595</del> 147,643
13	<del>94,552</del> 92,698	<del>118,189</del> 115,872	<del>141,827</del> 139,046
12	<del>88,707</del> 86,968	<del>110,884</del> 108,710	<del>133,061</del> 130,451
11	<del>82,862</del> 81,237	<del>103,577</del> 101,546	<del>124,292</del> 121,855
10	<del>77,017</del> 75,506	<del>96,271</del> 94,383	<del>115,525</del> 113,259
9	<del>70,999</del> 69,607	<del>88,749</del> 87,009	<del>106,499</del> 104,411
8	<del>64,983</del> 63,708	<del>81,229</del> 79,636	<del>97,474</del> 95,563
7	<del>60,315</del> 59,132	<del>75,393</del> 73,915	<del>90,472</del> 88,698
6	<del>54,439</del> 53,371	<del>68,048</del> 66,714	<del>81,658</del> 80,057
5	<del>48,563</del> 47,611	<del>60,704</del> 59,514	<del>72,845</del> 71,416
4	<del>42,788</del> 41,949	<del>53,485</del> 52,436	<del>64,182</del> 62,923
3	<del>37,013</del> 36,287	<del>46,266</del> 45,359	<del>55,519</del> 54,431
2	<del>31,070</del> 30,460	<del>38,838</del> 38,076	<del>46,605</del> 45,691
1	<del>24,502</del> 24,022	<del>30,628</del> 30,027	<del>36,753</del> 36,033



# PAY PROGRAM ADMINISTRATION MANUAL

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## Policy:

### Pay Program Administration

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#### A. Board of Directors

The Board of Directors has the overall responsibility for policies covering the direction, coordination and control of the Papio-Missouri River Natural Resources District pay program. Such responsibilities include:

1. Reviewing and providing final approval for any new policy or any policy change based upon recommendations from the General Manager and the Management Team.
2. Providing final approval for major exceptions to policies based upon recommendations from the General Manager and the Management Team.

#### B. Management Team

Under the leadership of the General Manager, the Management Team initially reviews all new jobs and recommends slotting them into appropriate pay grades.

The Management Team shall be appointed by the General Manager and serve at his/her pleasure.

The Management Team will meet as needed to review the grade placement of new and changed positions and to monitor the overall performance of the pay program. The Management Team may also serve as an appeal review body on disagreements over pay. The Management Team shall make recommendations to the General Manager who provides recommendations to the Personnel, Legislative and Public Affairs Subcommittee for changes. The Personnel, Legislative and Public Affairs Subcommittee will review this information and make a recommendation to the Board of Directors for final approval and implementation.





# PAY PROGRAM ADMINISTRATION MANUAL

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## Policy:

Pay Program Administration  
(Continued)

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### C. General Manager

The General Manager is accountable for the implementation and administration of the pay program and has responsibility for the following:

1. Ensuring proper consideration of the relationship of pay to performance of each employee.
2. Awarding an additional 1% merit increase to employees whose performance is continually rated as “Far Exceeds Expectations.”
23. Ensuring conformance to policies and procedures by reviewing all job grade placements and individual pay changes.
34. Providing final approval for newly created jobs, including position descriptions and placement within job grades.
45. Providing pay administration reports and analyses to the Management Team for effective program administration.
56. Making recommendations, at least annually, regarding revision to the pay structure. On a periodic basis the General Manager shall verify minimum and maximum pay rates for each pay grade by pricing benchmark jobs within the appropriate area labor market. Recommendations regarding minimum and maximum pay rates for each pay grade shall be made to the Personnel, Legislative and Public Affairs Subcommittee. The General Manager shall be responsible for reviewing and forwarding recommendations on to the Personnel, Legislative and Public Affairs Subcommittee. The Subcommittee will review this information and make a recommendation to the Board of Directors for final approval and implementation.
67. Completing an annual review of relevant market data pertaining to pay structure adjustments for budgeting purposes and developing guidelines for annual pay increases. These guidelines shall identify a percentage pay increase range which shall include factors of both employee performance and relationship to market pay rate.



## PAY PROGRAM ADMINISTRATION MANUAL

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### Policy:

#### Pay Program Administration

(Continued)

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78. Providing consultation on pay administration to managers and supervisors as appropriate.



# PAY PROGRAM ADMINISTRATION MANUAL

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## Policy:

Pay Program Administration  
(Continued)

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### D. Manager/Supervisor

Each manager/supervisor has the obligation to evaluate performance and make appropriate performance-based pay increase recommendations within designated guidelines. In addition, each manager/supervisor is accountable for:

1. Administering the pay program within the departments under his/her accountability in conjunction with the General Manager.
2. Advising the General Manager of the need to create a new position within a department for which he/she is responsible and to draft an accurate position description for approval.
3. Ensuring that all new positions within those departments for which he/she is responsible are described accurately and presented to the General Manager for placement into the appropriate pay grade before a position is advertised and an incumbent is employed.
4. Reviewing with each employee the position description covering his/her current position and discussing the employee's pay in relation to the relevant pay range during the annual performance evaluation.
5. On a continuing basis, each manager or supervisor is responsible for communicating performance expectations and measuring employees against those expectations consistent with the performance-based pay guidelines in effect.
6. Each manager/supervisor is responsible for communicating the performance evaluations with the General Manager, who will review, approve and sign off on all performance evaluations.



# PAY PROGRAM ADMINISTRATION MANUAL

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## Policy:

### Placement of Jobs in Pay Grades

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The General Manager will maintain an objective, complete and relevant position description for each job.

#### A. Creation of New Jobs

When there is a need for creating a new job, the following steps should be followed to ensure accurate documentation and market pricing:

1. The manager or supervisor should advise the General Manager of the need to create the new job.
2. The Manager will conduct a job analysis and assemble a position description to be returned to the General Manager for approval.
3. The General Manager, in coordination with the manager/supervisor, will determine the external worth of the job and slot the job into the appropriate pay grade.
4. The General Manager will review the job placement and provide final approval.
5. The Management Team will meet as needed to examine all job placements to provide retrospective review.

#### B. Maintaining and Revising Existing Job Descriptions Due to Changes in Job Responsibilities and Duties

Two types of changes in job responsibilities and duties may occur for an existing job, and each type of change should be handled separately.

Due to continual growth of Papio-Missouri River Natural Resources District, there is the expectation of a natural growth in job duties and responsibilities for some employees in the organization. *Natural growth in job duties and responsibilities* may be defined as the natural increase of duties and responsibilities resulting from the growth and development of the employee.



# PAY PROGRAM ADMINISTRATION MANUAL

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## Policy:

### Placement of Jobs in Pay Grades (Continued)

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Natural growth should not be confused with *promotional growth of job duties and responsibilities*. Promotional growth may be defined as new and significant changes in duties, responsibilities, or accountability in the job. It is not more of the same, but higher level duties normally assumed through direct assignment.

To ensure that current, accurate job descriptions are in place, each manager will perform an annual review of the descriptions for all jobs within his/her area of responsibility at the time of the employees' performance evaluations and provide the General Manager with the results of this review. At that point:

1. If the job has remained essentially the same, the existing job description will remain unchanged.
2. If natural growth in job duties and responsibilities has occurred, the description for that job must be revised by the manager/supervisor, reviewed and approved by the General Manager.
3. If promotional growth in job duties, responsibilities and/or accountability has occurred, the description for that job must be revised and reviewed in relation to the job's position within the pay grade. The General Manager will reclassify the job and place the job appropriately in the pay structure and present to the Management Team at the next scheduled meeting for retrospective review.

The above procedure in no way relieves individual managers from accountability for reporting significant changes in job content and reflecting them in revised position descriptions as they occur.

### Resolving Differences

It is recognized that the manager/supervisor may not agree in all cases with the placement of an individual job in a particular pay grade relative to other jobs within the organization. In such cases, the General Manager will work with the manager/supervisor to resolve the issue. If they are unable to agree the General Manager will review the job placement with the Personnel, Legislative and Public Affairs Subcommittee. If an employee feels the matter has not been satisfactorily resolved by the General Manager's decision, the



## **PAY PROGRAM ADMINISTRATION MANUAL**

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### **Policy:**

Placement of Jobs in Pay Grades  
(Continued)

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employee may request a review by the Personnel, Legislative and Public Affairs Subcommittee by submitting a written request for review, stating the complaint, and the decision from the General Manager, as stated in the Grievance Procedure within the Employee Handbook. The concerns of the employee will be considered by the Personnel, Legislative and Public Affairs Subcommittee in making a determination of whether to submit the matter to the Board of Directors for review and guidance.



## PAY PROGRAM ADMINISTRATION MANUAL

### Policy:

#### Performance Review Rating Scale Definitions

The following rating scale will be used in conjunction with the performance management system for Papio-Missouri River Natural Resources District.

Rating	Description	Definition
5	Far Exceeds Expectations	All performance priorities exceed expectations. Demonstrates exceptional contributions and accomplishments. Regularly goes beyond expectations of position.
4	Exceeds Expectations	The majority of performance priorities exceed expectations. Employee also assumes additional responsibilities which are beyond position expectations.
3	Meets Expectations	Performance is fully acceptable; performance priorities, responsibilities and accountabilities outlined are met consistently and are done in an acceptable manner.
2	Below Expectations	Some aspects of performance are acceptable or approach the established priorities and expectations. Definite improvements are necessary within a specified time frame.
1	Unacceptable	Performance level is unacceptable. Consistently failed to meet performance priorities and position requirements. Does not merit retention unless immediate corrective action.



# PAY PROGRAM ADMINISTRATION MANUAL

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## Policy:

Appraising Performance for Pay Purposes

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### A. Application of Performance to Pay Program Administration

A fundamental principle of the pay program is that pay should be administered on an individual basis according to each employee's performance in relationship to expectations and the level of contribution the employee is making to the organization. There is no substitute for thoughtful, objective review of each employee involved.

To be effective, the pay program must provide incentive for exceptional contributors. Accordingly, pay increases should be fully utilized to encourage and reward higher levels of performance throughout the organization.

### B. Performance Review Schedule

Each individual's performance will be appraised by their immediate supervisor and reviewed by the department manager and the General Manager. The fact that an individual's performance is reviewed does not necessarily mean that the individual will be granted a pay increase. An increase will be given only when it is clearly warranted by performance. Evaluations will be performed no more than 15 days prior to and not later than the evaluation due date.





# PAY PROGRAM ADMINISTRATION MANUAL

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## Policy:

### Performance Review Schedule

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#### A. New Employees

The performance of new employees shall be reviewed after a 90 day introductory period, not subject to merit increase. Following six months of employment, employees shall receive a second performance evaluation subject to merit increase, and annually thereafter.

#### B. Current Employees

Employees will participate in a performance management and planning session with their managers/supervisors. Performance management and planning will be conducted on an annual basis, following the guidelines of Papio-Missouri River Natural Resources District's Performance Management System.

#### C. Performance Rating Expectations

An employee with performance rated as "Unacceptable" may have up to 90 days in which to reach the "Meets Expectations" performance level. At any time during that 90-day period, if the employee is not progressing to "Meets Expectations," the employee may be terminated from employment with Papio-Missouri River Natural Resources District.



# PAY PROGRAM ADMINISTRATION MANUAL

**Policy:**

Annual Pay Increase

**A. Annual Pay Increases Budgeting and Guidelines**

Relevant market data pertaining to annual pay structure adjustments for budgeting purposes will be reviewed by the Personnel, Legislative and Public Affairs Subcommittee and approved by the Board of Directors on an annual basis. The General Manager shall develop guidelines for annual pay increases by completing a matrix for use by managers/supervisors in determining appropriate pay increases. Factors impacting an employee’s pay increase opportunity include both their performance rating and the relationship of their current pay to the market rate for their job. The following table serves as a guideline for merit increases. Actual percentage increase guidelines will vary from year to year based on changing market conditions and organizational strategy.

*Merit Increase Matrix effective 01/01/2017~~4~~*

Performance Rating	Relationship to Market				
	<80%	80-89%	90-109%	110-120%	>120%
<b>1</b>	0%	0%	0%	0%	0%
<b>2</b>	0%	0%	0%	0%	0%
<b>3</b>	3%	2.5%	2%	1.5%	0-1% Lump Sum
<b>4</b>	3.5%	3%	2.5%	2%	1-2% Lump Sum
<b>5</b>	4%	3.5%	3%	2.5%	2-3% Lump Sum



# PAY PROGRAM ADMINISTRATION MANUAL

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## Policy:

Annual Pay Increase  
(Continued)

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### B. Eligibility for Annual Increases

After an employee has served an initial six month period in a job, he/she may be eligible for a performance-based pay increase based on the performance review.

Employees who are not rated at the “Meets Expectations” performance level or above shall not receive any increase until they are meeting the overall performance expectations for their job and are rated as a “Meets Expectations”.

### C. Length of Service Increase

The District recognizes that because of the number of positions with the District, there exists limited opportunities for advancement to positions of greater responsibility and duties that utilize the job skills and knowledge which are gained through experience as an employee of the District. In recognition of the increased value to the District of an employee who has demonstrated a performance rating of “Meets Expectations” or above and because of the knowledge and experience gained, it is the policy of the District to increase the salary grade of a position by one grade level following the completion of seven years, fifteen years and twenty-five years of continuous employment in a position. Part-time employees are eligible for length of service salary grade increases on a pro rata basis. The wage and salary pay range for the adjusted salary grade will be used in determining wage and salary adjustments. No salary adjustment will be made at the effective date of a salary grade increase unless it coincides with the evaluation date.

Example: if salary grade adjustment is effective 1/1/~~16~~17 and evaluation date is 7/1/~~16~~17

- No salary adjustment is made on 1/1/~~16~~17
- The adjusted salary grade will be used to determine the salary adjustment for the 7/1/~~16~~17 evaluation.

Performance appraisals for employees who have completed seven years, fifteen years and twenty-five years of employment will consider the experience and additional productivity that is expected of an employee who has been with the District in the same position for an extended period of time.



# PAY PROGRAM ADMINISTRATION MANUAL

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## Policy:

Annual Pay Increase

(Continued)

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### D. Annual Cost of Living Adjustments

Cost of living adjustment estimates will be reviewed by the Personnel, Legislative and Public Affairs Subcommittee and approved by the Board of Directors on an annual basis. The cost of living is closely tied to rates of inflation and deflation. In estimating such costs, food, clothing, rent, fuel, lighting, and furnishings as well as expenses for communication, education, recreation, transportation, and medical services are generally included. The Consumer Price Index (CPI), a measurement of the cost of living prepared by the U.S. Bureau of Labor Statistics, tracks changes in retail prices of an average “market basket.” Changes are compared to prices in a previously selected base year, from which figures the percentage increase or decrease in the cost of living can be calculated.

- The ~~2016~~2017 COLA adjustment will be 0%

### E. Resolving Differences

It is recognized that the manager/supervisor may not agree in all cases with the placement of an individual job in a particular pay grade relative to other jobs within the organization. In such cases, the General Manager will work with the manager/supervisor to resolve the issue. If they are unable to agree the General Manager will review the job placement with the Personnel, Legislative and Public Affairs Subcommittee. If an employee feels the matter has not been satisfactorily resolved by the General Manager’s decision, the employee may request a review by the Personnel, Legislative and Public Affairs Subcommittee by submitting a written request for review, stating the complaint, and the decision from the General Manager, as stated in the Grievance Procedure within the Employee Handbook. The concerns of the employee will be considered by the Personnel, Legislative and Public Affairs Subcommittee in making a determination of whether to submit the matter to the Board of Directors for review and guidance.



# PAY PROGRAM ADMINISTRATION MANUAL

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## Policy:

### Transfers Within Pay Grade

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#### A. Transfer and New Position Performance Review

A transfer occurs when an employee moves from one job to a different job within the same pay grade. Individuals who transfer to another job within the same pay grade shall not be eligible for any type of pay adjustment and the date of transfer will be used to determine the next evaluation date. A six-month initial evaluation period will be effective in the new position. If the employee is not meeting the expectations of the new position at that time, he/she may be transferred back to the old position if it is still available, or terminated from employment with Papio-Missouri River Natural Resources District.

If appropriate a lateral transfer increase will be determined on a case-by-case basis by the General Manager. Factors considered in making the increase decision will include:

- Employee's current pay rate in relation to the new pay grade minimum
- Average labor market transfer increases
- Length of time between transfer increase and the last pay review

#### B. Compensation for Temporary Duty

If an employee temporarily serves in the capacity of a higher grade position for an extended period of time (minimum of three months or 60 working days, consecutively), the General Manager shall have the authority to provide additional compensation to that employee for that period according to the general guideline of one-half the difference between the midpoints for the salary grade of the higher grade position and the employee's position.



## PAY PROGRAM ADMINISTRATION MANUAL

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### Policy:

Promotions

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#### A. Promotion, Pay Adjustment and Performance Review

Promotions can occur through promotional growth of job duties. For this type of promotion, see the policy on Placement of Jobs in Pay Grades.

Initially, promotional increases should be to the minimum of the pay grade or calculated based on a percentage pay increase. The appropriate promotional increase will be determined on a case-by-case basis by the General Manager. Factors considered in making the increase decision will include:

- Employee's current pay rate in relation to the new pay grade minimum
- Average labor market promotional increases
- Length of time between promotional increase and the last pay review

Employees receiving a promotion will have an initial period of 120 days in the new job. At the end of six months, the employee's performance will be reviewed. If the anniversary date falls within the initial period, the pay increase may be delayed until completion of the initial period. Upon completion of the initial period, any delayed pay adjustment granted will be made retroactive to the annual review date.



# PAY PROGRAM ADMINISTRATION MANUAL

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## Policy:

Transfers to Lower Pay Grade

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### A. Transfer to Lower Pay Grade

When an employee transfers to a lower pay grade in which the maximum pay for the grade is below the rate the employee is currently earning, pay adjustments may be considered.

When the transfer is due to inadequate performance, the employee's pay will be reduced to a pay level within the range for the new job. When the transfer is due to reasons other than inadequate performance, the employee's pay shall be reduced to the maximum of the applicable lower pay range and the employee may be eligible for an annual lump sum payment on the anniversary date. Lump sum pay increases are made at the discretion of the manager/supervisor. They do not increase the employee's base pay rate and must be re-earned annually.



# PAY PROGRAM ADMINISTRATION MANUAL

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## Policy:

Previous External Job Experience Adjustment

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### A. External Experience Adjustment to Minimum Pay Grade Pay Rate

When an applicant with previous job related experience is considered for employment with Papio-Missouri River Natural Resources District, the hiring manager may request that an experience adjustment be applied to the pay grade minimum rate. Requests can be made when the previous job experience:

- Significantly enhances the applicant's ability to perform the job
- Substantially decreases the amount of training time required
- Positively affects applicant's ability to perform all or a majority of the essential job functions
- Materially relates to current labor market conditions

### B. Approving Experience Adjustment

The General Manager will evaluate pay adjustment requests on a case-by-case basis and in conjunction with the hiring manager to determine if the previous job experience will significantly contribute to performance on the new job or substantially decrease the training time required. Several factors will contribute to this decision including, but not limited to:

- Similarity of tasks and duties of the previous job experience with those for the open position at Papio-Missouri River Natural Resources District
- Reduction in training time anticipated
- Recent application of relevant duties or competencies in previous job experience
- Criticality of the job to Papio-Missouri River Natural Resources District

### C. Resolving Differences

It is recognized that the manager/supervisor may not agree in all cases with the placement of an individual job in a particular pay grade relative to other jobs within the organization. In such cases, the General Manager will work with the manager/supervisor to resolve the issue.





# PAY PROGRAM ADMINISTRATION MANUAL

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## Policy:

### Equity Pay Adjustment

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If they are unable to agree the General Manager will review the job placement with the Personnel, Legislative and Public Affairs Subcommittee. If the employee feels the matter has not been satisfactorily resolved by the General Manager's decision, the employee may request a review by the Personnel, Legislative and Public Affairs Subcommittee by submitting a written request for review, stating the complaint, and the decision from the General Manager, as stated in the Grievance Procedure within the Employee Handbook. The concerns of the employee will be considered by the Personnel, Legislative and Public Affairs Subcommittee in making a determination of whether to submit the matter to the Board of Directors for review and guidance.

#### A. Equity Pay Adjustment

Equity pay adjustments may be needed when an individual employee's pay rate is not in parity with the pay rates for employees in equivalent positions. The General Manager will consider equity pay adjustments on a case-by-case basis. When an equity pay adjustment is warranted, the General Manager and the respective manager/supervisor will determine the appropriate parity pay and either raise the current pay level immediately or implement an accelerated increase schedule (i.e. quarterly adjustments). To qualify for an equity pay adjustment, the employee's performance must be currently meeting or exceeding the performance expectations of the job and rated at "Meets Expectations" or above.