

# MEMORANDUM

TO: Personnel, Legislative and Public Affairs Subcommittee

SUBJECT: Addition to Wage and Salary Administration Program

DATE: October 23, 2007 Updated: November 5, 2007

FROM: John Winkler, General Manager

To address any future situations involving compensation to District employees for temporary duty, it is recommended that Paragraph E. – Compensation for Temporary Duty (see attached) be added to the District Wage and Salary Administration Program Manual. This addition would authorize the General Manager to deal with any similar situations administratively.

**It is the recommendation of the General Manager that the Subcommittee recommend to the Board that the following paragraph be added to Section VII – Wage and Salary Adjustment of the District’s Wage and Salary Administration Program Manual:**

E. 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.

## VII. WAGE AND SALARY ADJUSTMENTS

**A. Policy:** The General Manager of the District will be responsible for making wage and salary adjustments in accordance with this Wage and Salary Administration Program. The General Manager also has the authority to adjust the compensation of an employee on a temporary basis when there is a considerable increase in accountabilities and duties to that employee due to an extended leave by another employee.

**B. Adjustment Guide:** The Adjustment Guide that will be used by supervisory and management personnel in making wage and salary adjustments is shown on Page 13.

The increase guide, shown on Page 12, will be used as a pattern for revision of the Adjustment Guide. The "n" value in the adjustment factor equation shown in each box is the annual pay range change, expressed in decimal form. Numerically, it represents the average change in midpoint values of the District wage and salary pay ranges from year to year. For example, if the average increase in midpoints is 5.0% and the adjustment factor formula is  $A.F. = 1.029^{n/2}$ , the adjustment factor for that box in the guide is  $(1.029) \times (1.0 + [0.05/2]) = (1.029) \times (1.025) = 1.055$ . The evaluation period (E.P.) shown in each box is the time until the next evaluation. The time periods shown in the center of each box of the increase guide are merely an indication of the average amount of time required for an employee to progress through that box, assuming a constant level of performance and no change in the wage and salary pay ranges for the evaluation period shown.

The adjustment factors computed in the increase guide are transferred to the coinciding box on the adjustment guide and form the basis for the wage and salary adjustments. The evaluation periods shown in each box of the adjustment guide are the same as found on the increase guide.

If an employee falls outside the Wage and Salary Adjustment Guide, the General Manager has the authority to adjust an employee's salary a maximum of 2.5%. (Example: An employee who is at 106% of midpoint and receives a rating of "Meets Expectations" or above on his/her appraisal, the General Manager could authorize a 2.5% salary increase.)

**C. Approval:** The General Manager will determine wage and salary adjustments based on the evaluation rating and in accordance with the evaluation periods and adjustment factors provided for in the Adjustment Guide. An example computation is shown on the attached Salary Adjustment Worksheet (Attachment 3).

**D. 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 rating of "Meets Expectations" or above job performance 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.

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.

E. 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.

Policy amended by the Board of Directors February 12, 1998; November 8, 2007