

Category: 300

Number: 342

Subject: **SALARY AND WAGES POLICY**

Purpose: The purpose of this policy is to:

- Articulate the management philosophy that serves as the foundation for development and administration of the St. Clair County Salary and Wages Policy.
- Ensure the periodic review and necessary adjustment of the Salary and Wages Policy.
- Ensure that classifications and the classification structure appropriately reflect the tasks and duties performed.
- Ensure that the Salary and Wages Policy provides for newly created positions.
- Provide guidance and boundaries to the department head in selecting starting wage rates for the newly hired.
- Define the discretionary wage limits impose upon a department head in granting wage adjustments for promoted employees.
- Ensure equitable compensation to employees transferring from one classification to another when it's not a promotion.
- Ensure that individuals who assume or are assigned positions of lesser responsibility are paid equitably relative to other employees.
- Allow employee the opportunity to appeal their placement of job group, placement of wage range, job title and other compensation issues.

Authority: The St. Clair County Board of Commissioners. Administrative policies shall be subject to revision or termination by the Board of Commissioners at its discretion.

Application: This policy applies primarily to exempt (non-union/CANUE) employees. Employees who are members of unions should consult the applicable collective bargaining agreement for the prevailing policy and procedure. Where a collective bargaining agreement is silent, this policy will apply. This policy does not apply to co-employer elected officials.

Responsibility: The Human Resources Director or designee is responsible for the enforcement of this policy.

Policy: **PAY PLAN ADMINISTRATION**

Each collective bargaining agreement includes pay schedules for all classifications within the bargaining unit. The St. Clair County Board of Commissioners establishes the pay plans for non-union or non-affiliated employees (CANUE). Copies of the various pay plans are maintained on the Human Resources Department website. In the event a particular pay plan is not reflected on the website, a copy is attainable by contacting the Human Resources Department.

The Human Resources Department is responsible for the administration of these various pay plans. Administration means Human Resources Department enforces the terms and conditions governing the pay plan. As the pay plan administrator, the Human Resources Department has the authority and responsibility to withhold any hourly or annual rate of pay adjustment that does not conform to the pay plan policy. The Human Resources Department does not have the authority or responsibility to unilaterally adjust an employee's pay on its own initiative, except for those employees of the Human Resources Department. In other words, each County department has the authority and responsibility to initiate pay changes for the employees of that department. The Human Resources Department has authority and responsibility to review a department initiated pay change to determine that it conforms to the applicable established terms and conditions.

In the event a pay change initiated by a department does not conform to the applicable established terms and conditions, the department head and/or supervisor will be notified of the specific reasons the pay change cannot be implemented.

PAY PERIODS

The pay period is bi-weekly, which means every two weeks and begins on a Sunday and ends on the second following Saturday.

Employees are paid the Thursday following the end of the pay period except when that day is a holiday. In the event the payday is a holiday, the County determines the payday, which is generally but not always the day before.

CLASSIFICATION SYSTEM

A classification is the title given a position that best describes its general tasks. An attempt is made to use titles that are common among many employers for easier comparison within the workplace both inside and outside the organization. Titles are associated with job groups of similar function but which may vary in complexity and/or responsibility. Due to the great variety of services and functions provided by the County there are a wide range of job groups.

A classification system is the compilation of all job titles. Job titles in a job group address similar tasks and functions differing in complexity and responsibility. The structure of job titles in a job group represents a career path. Job titles in a job group typically receive a proportionate difference in base pay.

The classification system of the County is a best effort to;

- a. adopt titles indicative of the work activity,
- b. group titles by similarity of work activity but of differing complexity and responsibility,
- c. reflect a career path, and
- d. determine compensation based on comparable worth.

Many factors are considered when determining comparable worth, such as but not

limited to the requirements of education, training, skill, experience, level of responsibility, level of complexity, initiative, supervision received and/or exercised, physical demands, working conditions and market value. Due to the number of factors involved, the classification system is fluid and is always a work in progress. The allocation of employees to classifications will be authorized and approved only through established budgeting and personnel procedures as authorized by the Board of Commissioners.

The classification system for non-union employees is available for inspection on the Human Resources Department website. The classification system for employees who are members of bargaining units is available for inspection by referring to the union's collective bargaining agreement on the Human Resources Department website.

Encroachment exists when a subordinate's maximum range is less than an 8% differential (e.g. Merit step 7 or greater of the CANUE schedule) of the supervisor's maximum range. In order to resolve encroachment issues, the supervisor will be moved to the nearest wage range where the subordinate's maximum (Merit Step 6 or less of the CANUE schedule) is equal to or greater than an 8% differential of the supervisor's maximum.

PAY SCHEDULES

Each classification is assigned a pay schedule. The assigned pay schedule may be a single figure or a progressive scale of either hourly or annual pay rates.

Pay schedules are established through collective bargaining or unilaterally by the St. Clair County Board of Commissioners and not subject to manipulation or modification by a department head, supervisor or employee. A pay amount provided an employee must strictly coincide with the amount reflected on the pay schedule. An employee cannot be paid an amount less than the minimum or more than the maximum amount on the pay schedule. An employee cannot be paid an amount between any step amounts reflected on the pay schedule. The wage structure, adopted by the Board of Commissioners, must be followed and may not vary.

PAY PLAN POLICY & PROCEDURE

It is the policy of St. Clair County to (1) assure internally equitable and externally competitive rates of pay to employees; (2) to provide a means for planning and controlling direct payroll costs; (3) to maintain efficient administrative procedures; and, (4) to assure compliance with applicable laws and regulations.

a. Adding New Positions

The addition of new tasks and duties and/or significant changes in function or service may require new classifications.

1. When a department head determines the need for a new classification he or she must submit a draft job description to the Human Resource Director or designee for review and recommendations. Related supportive documentation should accompany all requests for new classification.

2. The Human Resources Department designee shall assist the department head in the development of job descriptions.
3. The Human Resources Department designee will conduct an internal wage equity evaluation and labor market review to determine the appropriate level of compensation.
4. The Human Resources Department designee shall recommend to the Administrator/Controller and/or the Board of Commissioners a job group and wage range, which shall be communicated to the department head. The Administrator/Controller shall approve or deny the classification designation and pay grade recommendation.
5. The Board of Commissioners shall have final authority to approve or deny any new position.
6. The Human Resources designee shall update all classification and compensation pay plan documents with the approved changes.
7. Recruitment shall be conducted in accordance with the St. Clair County Recruitment Policy.

b. Newly hired

1. The department head shall submit an employee activity notice to the Human Resources Department stipulating the merit step of the wage range. A department head is entitled to compensate an employee within the first four steps of the wage range, unless the current collective bargaining agreement indicates otherwise. In order to utilize a wage step greater than the fourth step of the wage range, the department head must acquire the written approval of the Administrator/Controller.
2. In the event the merit step is no greater than the fourth step the activity notice shall be implemented.
3. In the event the merit step is greater than the fourth merit step the payroll activity notice will be submitted to the Administrator/Controller for approval or denial.
4. The Administrator/Controller shall determine the method and means for responding to a request to hire a new employee at a merit step greater than the fourth step.

c. Position Promotion

Promotion is defined as a change in classification, which represents an increase in duties, responsibilities and task complexity, which may include an increase in compensation. When an employee is promoted to a higher paying classification, unless the current collective bargaining agreement indicates otherwise, the department head is entitled to compensate the promoted employee in one of the following ways:

1. Within the first four steps of the wage range.
2. An employee whose salary is currently at or above the first four steps of the wage range shall be compensated at the nearest higher salary step to their current compensation.

3. In order to utilize a wage step greater than 1 or 2 above, the department head must acquire the written approval of the Administrator/Controller.

d. Temporary Assignments

A temporary assignment means performing a major portion of the tasks or duties of another employee or another classification for an indefinite but limited period of time. An employee may be temporarily assigned to perform the tasks or duties of another employee when circumstances warrant.

1. A temporary assignment should be authorized in writing by the department head and/or supervisor.
2. A temporarily assigned employee shall be paid the rate consistent with the assigned position when performing the work for more than five (5) consecutive workdays. Upon working the sixth (6th) day, the employee shall be entitled to pay back to the first day of temporary assignment. A temporarily assigned employee shall not be made to suffer a reduced rate of pay for a temporary assignment.
3. When an employee is temporarily assigned to a higher paying classification, unless the current collective bargaining agreement indicates otherwise, the department head is entitled to compensate the employee in one of the following ways:
 - a. Within the first four steps of the wage range.
 - b. An employee whose salary is currently at or above the first four steps of the wage range, shall be compensated at the nearest higher salary step to their current compensation.
 - c. In order to utilize a wage step greater than a or b above, the department head must acquire the written approval of the Administrator/Controller.

e. Position Demotions

A demotion shall mean a change in classification resulting in a decrease in normal wages and/or duties and authority. The rate of pay for an employee who (either voluntarily or by action of St. Clair County) is assigned to a job classification in a lower wage range will be reduced to a point within that range. The amount of the pay rate reduction will be determined on a case-by-case basis. The department head shall forward a recommendation to the Administrator/Controller who shall have the final determination.

1. The following factors will be considered in determining the employee's new pay rate:
 - a. Equity among current incumbents within the lower job classifications.
 - b. The probability of satisfactory performance in the new job.
2. The department head is responsible for communicating the demotion and pay rate reduction to the affected employee and the Human Resources Department.
3. The reduction in the employee's pay rate will be effective and coincide with the date the new job responsibilities are assumed.

4. In the event the employee is demoted for job performance reasons, the employee shall be placed at an appropriate step in the range of the new classification.
5. In the event the employee is demoted for reasons unrelated to job performance, the affected employee may or may not be required to suffer a reduction in annual wage as determined by the Board of Commissioners and/or the Administrator/Controller.

f. Position Reclassification

When the duties and responsibilities of a classification change, either at a given point in time or over a gradual period of time, the job will be evaluated by the Human Resources designee to ensure its proper classification and pay grade assignment and forward the recommendation to the Administrator/Controller for action.

1. A department head may submit a request for reclassification of an employee to the Administrator/Controller or the Board of Commissioners. The Human Resources designee shall conduct a classification review. Employees may request a review through their immediate supervisor.
2. The Human Resource Director shall determine the method and means of evaluating a reclassification request and notify the department head.
3. The Human Resource Director or designee will make one of the following determinations:
 - a. The duties and responsibilities of the job have not changed to the extent that skill and responsibility requirements have changed correspondingly.
 - b. The duties and responsibilities of the job have changed appreciably to warrant a change in classification.
4. The Human Resource Director shall determine the appropriate wage range for the reclassified position, which may or may not reflect a change in compensation.
5. The Human Resource Director's recommendation shall be forwarded to the Administrator/Controller for final determination or submittal to the Board of Commissioners, as needed.

g. Transfer

A department head may transfer an employee from one classification to another in the best interests of operating efficiency and objectives provided it is not a promotion or demotion.

1. A lateral transfer occurs when an employee:
 - a. Moves to a new department in the same classification which has the same wage range.
 - b. Moves to a new department in a new classification which has the same wage range.
 - c. Moves within the same department to a new classification, which has the same wage range.
2. A transfer may take place within a department or between departments

when an administrator(s), with authority for the control and responsibility for the department(s), makes the decision.

3. An employee may request of the department head a transfer or a department head may require the employee to transfer.
4. The department head has the authority to approve or deny a request without appeal.
5. No transfer shall be approved that represents a violation of a collective bargaining agreement of an affected classification.
6. A transfer between departments shall require the written approval of the Administrator/Controller except when the transfer is within the court system.

h. Appeals Process

Employees have the opportunity to appeal their placement of job group, placement of wage range, job title and other related compensation issues.

1. The appeal should be communicated to the Human Resources Director or designee.
2. If an employee files an appeal, the Human Resources Director or designee will notify the department head, who shall have the opportunity for input. The Administrator/Controller or designee shall determine the course of action.
3. If a department head files an appeal on behalf of an employee, the Administrator/Controller or designee shall determine the course of action.
4. All final decisions will be communicated to the affected employee in writing along with a rationale as to why the decision was made. The Administrator/Controller shall determine whether to submit the appeal to the Board of Commissioners for approval or denial.

PERFORMANCE REVIEWS

Employee performance is regularly assessed by means of employee work plans and job descriptions as the basis for measurement. The purpose of the performance review is to clearly articulate a department head and/or supervisor's expectation for an employee's work activity as well as to comment on his or her competency in the job.

Employee performance reviews are an important component in awarding merit pay for those employees not subject to a calendar driven pay plan. Employees in calendar driven pay plans shall nevertheless receive performance reviews by their department head and/or supervisor.

Employee performance may be reviewed at any time but must be reviewed not less than once a year.

STEP & MERIT INCREASES

Employees who are members of bargaining units typically receive step increases based on time in the classification. Employees who are not affiliated with a bargaining unit are eligible for annual step increases based on merit on each anniversary of employment in the classification and successful employee performance review.

1. An employee who shows exceptional skill and ability may be rewarded in one of two ways.
 - a. A merit step increase may be provided in advance of the scheduled date it is due.
 - b. The step level due may be skipped over to the next higher step on the scheduled due date.
2. An employee may only receive an early step increase or a skipped step once while in the classification. Employees are not eligible for both.
3. Employees, who receive an early step increase, shall have successive steps based upon their original anniversary of employment in the classification.

For example:

Employee John Doe was hired 2/1/12

His original one year performance review and merit increase is due 2/1/13

Due to exceptional ability, he receives his one year merit increase early on 8/1/12

His two year merit step increase is based upon his original date of hire, not his early step increase, and therefore is due 2/1/14

4. Employees who are promoted into another classification shall receive their step increases based upon the date of the permanent assignment in that classification.
5. An employee may only receive an early step increase after a minimum of a six (6) month evaluation period from the date of the permanent assignment in the classification.

PAYCHECK DISTRIBUTION

Employee paychecks are distributed to departments for distribution to the employees of that department. An employee may request his or her paycheck be withheld from distribution to the department under the following circumstances.

1. The employee is on a leave of absence, in which case the paycheck will be mailed to the employee's residence.
2. The employee left employment prior to issuance of the paycheck, in which case the paycheck will be mailed to the employee's last known residence or the employee may pick up his or her paycheck from the Human Resources Department.
3. The employee is in the process of transferring to a new department, in which case the employee may pick up his or her paycheck from their new department head/supervisor.

A paycheck will only be released to someone other than the employee when that individual has written authorization from the employee who identifies the

individual by name and relationship. An individual with written authorization shall be required to provide picture identification before the paycheck will be released to them.

In no case will an employee be entitled to receive a pay advance.

EMPLOYEE PAYROLL CHECK DIRECT DEPOSIT

Direct deposit is an electronic transfer of an employee's net paycheck through the County's bank to the employee's banking institution.

Employees may elect to direct deposit their net payroll checks to the U.S. banking institution (Bank, Credit Union, etc.) of their choice, as long as their banking institution accepts direct deposit. Canadian banks are not currently able to accept direct deposit.

In order to implement direct deposit the employee must complete a form available at the Human Resources Department. The Employee should first determine from his or her banking institution that it accepts direct deposit before completing a direct deposit form.

Participating employees can access their pay check stub via Employee On-line.

REVIEW AND EVALUATION OF THE SALARY AND WAGES PAY PLAN

The Salary and Wages pay plan will be reviewed as directed by the Board of Commissioners. Elected Officials' pay plan will be reviewed every two years. The review will utilize comparative labor market data from the internal organizational comparables, inflation and external communities comparable to St. Clair County. The wage ranges may be increased or decreased to ensure wage equity and parity at the discretion of the Board of Commissioners.

Comparative labor market wage rates, inflation and internal organizational comparison affect the wage range placement of a classification. Labor market wage comparison and inflation do not change at the same rate or pace. Therefore, the County will exercise discretion in relying upon one or the other in selecting a classification wage range assignment. The County will determine the annual adjustment to classification wage ranges using labor market comparison, inflation or any other relevant factor it deems appropriate.

1. Contingent upon budget, the Human Resources Department will facilitate a survey of the relevant labor markets using a sampling of job classifications every three (3) years in June. Relevant labor markets are determined by utilizing generally accepted standards for comparability. These are typically the same counties used in the majority of labor agreements. These counties are

periodically reviewed to ensure they meet the generally accepted standards, such as population, taxable value, SEV and per capita income.

2. The Human Resources designee shall compile the labor market survey information into a report with a recommendation for placement of the surveyed positions in the Classification and Compensation Plan.
3. In the event a classification wage range is reduced by reason of the labor market comparison, the affected employee will be “red circled”, which means the employee will not be required to suffer a reduction in pay.
4. Unless otherwise determined by the Board of Commissioners, a red circled employee shall not be entitled to an increase in annual compensation until such a time as the maximum wage step in his/her wage range exceeds the affected employees’ actual wage. However, a red-circled position shall be surveyed annually until such a time as the maximum wage step in his/her wage range exceeds the affected employees’ actual wages.
5. It is the County’s policy to provide employees with equitable and competitive wages. When compiling the labor market comparisons for inclusion in the pay plan, the County shall strive to place our maximum wage range at the average of the comparable counties. The County shall not provide the highest, or the lowest wages of our comparable counties.
6. The Board of Commissioners shall annually approve the County pay plan.

Administrative

Procedures: Any exceptions or unusual circumstances that are not provided for in this policy must have specific prior approval from the Administrator/Controller.

Periodic

Review: The Human Resources Director and/or designee shall review this policy and make recommendations for changes as needed.

Original Adopted: May 17, 2006 (policy #341)

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December 14, 2017
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