



Compensation Guidelines

Plan Maintenance

With proper care and maintenance of the pay plan, the frequency for a comprehensive pay plan review is minimized. The established guidelines should be followed to properly implement the compensation plan for equity amongst employees and consistency with the established pay philosophy.

As positions substantially change in responsibility, a compensation review will be conducted to ensure proper pay grade placement based on new job responsibilities. This will be initiated by the HR Director annually, coinciding with the budget process. The HR Director will work with the department managers to determine if a position has changed substantially and warrant review. Similarly, all **newly created positions** will be reviewed and analyzed for grade placement in the pay structure. The HR Director will partner with each department manager in creating a detailed job description and send it to Carlson Dettmann for evaluation.

Compensation Guidelines

The guidelines below are to be followed when making wage decisions for employees. Any exceptions to these guidelines need Human Resources Director and Department Head approval and signature.

EMPLOYEE EVENT	GUIDELINE
New Hire	Step 1 with ability to offer up to Step 3 based on experience, partner with HR Director and Department Head for approval above Step 1
Annual Review	One step increase (2.5%) based on meeting expectations or above in performance review, note: no increase will be given if there was a promotional increase in the prior 6 months
Annual Review, Red Circle Employees*	Lump Sum Payments, paid in two installments (Jan & Jul) 1% of the control point of the position grade, based on meeting expectations or above in performance review
90 Day Review	No step increase
Promotion**	The step that provides at least a 5% annual increase, or up to Step 1 of the position grade the employee is being promoted into, whichever is greater
Transfer***	No step increase
Demotion	Decrease step to a level within the pay scale, each situation will be unique, partner with HR Director and Department Head for final approval

*Red Circle Employees: employees whose pay is at or above the maximum of the pay scale

**Promotion: moving to a position with a higher pay grade

***Transfer: moving to a new position within the same pay grade

Please note the recommendation is to hire employees at Step 1 (and the ability to hire up to Step 3 based on experience) with a probationary period of 90 days. At the conclusion of the probationary period, a 90 day review is given, and the wage remains the same. During the annual review, the employees can move up one step based on satisfactory job performance review ratings up to the maximum of the position grade, at which time they are no longer for an increase; however, are eligible for a lump sum payment.

