

# **Compensation Plan Procedures**

February 2015

## Compensation Plan Procedures

### 1. Entrance salary rates:

- a. Starting rate on initial employment: Original appointment to any position shall be made at the entrance rate of a salary range. Upon recommendation of the department head, the regional director may approve initial compensation at a rate higher than the range for the class. Any exception must either be based on: 1) the outstanding and unusual character of the employee's experience and ability beyond the qualification requirements, or 2) the critical shortage of applicants. Advancement from the entrance rate to the maximum rate within a salary range shall be based on performance and length of service.
- b. Starting rate on return to duty: When an employee returns to duty in the same class or position after an honorable separation of not more than one year, the employee shall be paid at a salary range no lower than that at the time of separation. The employee shall receive compensation according to the rules for salary advancement. A new anniversary date will be established.
- c. Starting rate on return from military service: An employee who left Region V Services due to being inducted into the armed forces, shall be on the step of the salary range the employee would occupy if she had not left the position. A new anniversary date will be established.
- d. Rate of pay on demotion: The supervisor will establish the appropriate rate in the range if the action is for cause. Causes are listed under the Disciplinary Actions Section in the Personnel Policies. If not for cause, the rate of pay will be based on position, performance, qualifications, length of service and any other factors relating to the demotion. The anniversary date for both types of demotions will be determined in accordance with all other sections of the Compensation Plan Procedures.
- e. Starting rate on transfer to new position: Whenever an employee is assigned or requests duty in a position he has not previously held, and such change is not in the nature of a promotion or demotion, the employee shall transfer at the same step at which he is now paid if: the duties of the position are similar to those of the new position, or the previous position provided valuable experience for the duties of the new position. Anniversary date will remain the same.

#### Transfers involving overnight CSP position:

1. Non-Overnight CSP transfers to overnight CSP: grade 14 becomes grade 17 (same step).

**Example:** (14-6) becomes (17-6).

2. Overnight CSP transfers to Non-Overnight CSP position: grade 17 becomes grade 14 (same step).

**Example:** (17-9) becomes (14-9).

3. Conversion rates of vacation and sick leave balances involving overnight CSP's: When any non-overnight employee earning benefits transfers to an overnight CSP position which also earns benefits, vacation and sick leave balances must be converted.

**Example:** Non-overnight employee has a vacation balance of 169.00 hours. The new overnight balance would be 270.40 (169.00 X 1.6).

The opposite would apply if an overnight CSP were to become a non-overnight employee.

**Example:** Overnight employee has a vacation balance of 270.40 hours. The new non-overnight balance would be 169.00 (270.40 / 1.6).

- f. Rate of pay on promotion: When an employee is promoted to a class with a higher base maximum rate, the rate upon promotion shall be at the lowest rate in the higher range that will provide an increase of at least 5% over the rate received immediately before the promotion. A new anniversary date will be established.
- g. Rate of pay as result of reclassification: When reclassifying a position to a class at a higher grade level, the employee shall be paid at the same rate in his/her new grade. If no rate of the new grade is the same, the employee will receive the lowest rate of the new grade that is above the former rate. In reclassifying to a lower grade level, the employee shall be paid at the same rate in the new grade or the rate of the new grade that is just above his/her former rate, if an appropriate step is available. Reclassification to another class in the same grade level shall not affect the rate being received by the employee concerned. Anniversary date will remain the same.
- h. Transfer from a position of half-time or more to a less than half time position or vice versa: Employee will remain at the same grade and step and will keep the same anniversary date.
- i. When employees working less than full time but more than half time go to full time (on the same pay grade) the anniversary date and step remain the same.
- j. If at any time a transfer will cause someone to be higher than Step 12 of any grade, then each case will be handled on a case by case basis regarding rate of pay and anniversary date.

## 2. Advance within a salary range:

- a. After working six (6) months: All employees will have a performance review. If their work is satisfactory, all employees' salaries may advance to the next higher rate with the range, as recommended by the department head and approved by the regional director. Such advancement may occur annually until the employee reaches the maximum rate of the salary range for that position. There is no implied policy of automatic increases up to the maximum of the range. All

pay increases are effective the first day of the pay period. This section may not apply if an individual enters a salary range at a rate higher than the initial step.

- b. On promotion: When an employee receives a promotion and the rate upon promotion is the first step of the salary range, the employee may advance to the next higher step on the salary range after successfully completing the orientation period and six (6) months of continuous service. When an employee receives a promotion and the rate is other than the first step of the salary range, the employee may advance to the next higher step in the salary range after satisfactorily completing the orientation period and twelve (12) months of continuous service.
- c. Requirements as to continuity of service: Service requirements for advancement within pay ranges and for other purposes, as specified in these procedures, are based upon continuous service (employment without break or interruption). Leaves of absence with or without pay of thirty (30) or less days shall not interrupt continuous service, nor affect the total of days in service. Absences of leave without pay of more than thirty (30) days, except extended service with the Armed Forces of the United States, shall be deducted in computing continuous service but shall not interrupt total service.
- d. Emergency, seasonal, temporary or intermittent employees: Emergency, seasonal, temporary or intermittent employees initially receive an hourly rate in the range for the class that meets the needs of the agency. The regional director must approve appointments at other than the hourly equivalent of the entrance rate. Emergency, seasonal, temporary or intermittent employees shall not be eligible for employee benefits or advancement within the salary range.
- e. Calculation of employee benefits: Employee benefits (except annuities) shall be computed from the standard 64hr, 40hr, 30hr, or 20hr per week employment positions. Computations do not include overtime hours, except for 64-hour full time overnight CSP's whose leaves are based on the 64-hour conversion rate.

### Average Rate of Pay for Employees Working at Two or More Pay Rates:

If you work at two or more different rates of pay **and** have overtime during a particular pay period, you will always be paid at an average rate of pay. This is not a Region V pay rule, it is a federal law. The calculation for the average rate of pay is as follows:

1. All hours from the first rate are added together and multiplied by that designated pay scale rate (e.g., \$12.76).
2. All hours from the second rate are added together and multiplied by that designated pay scale rate (e.g., \$9.02).
3. This process is repeated for all possible rates worked during the pay period - additional rates may include van drivers (\$11.45) and grade 15 employees (\$14.50).
4. The totals from all of the different rates are added together and divided by the cumulative number of hours that were worked during the pay period. The end result is the average rate of pay.
5. This rate is multiplied by regular hours to determine regular earnings. It is then multiplied by 1.5 (time and a half) before multiplying it by overtime hours to determine overtime earnings. Regular and overtime earnings added together equal gross pay.

**An example:** Employee A worked 160 hours regular pay and 24 hours overtime. Of this time, 160 hours were worked at grade 14 and 24 hours were worked at grade 17. Employee A is on step 1 of the pay scale. Let's apply the steps from above:

1. First rate hours (160) X designated pay scale rate (\$12.76) = \$2,041.60
2. Second rate hours (24) X designated pay scale rate (\$9.02) = \$216.48
3. There are no additional rates worked so we just add 1 & 2 (step 4).
4. These totals added together (2,041.60 + 216.48 = 2,258.08)
5. Now the total 2,258.08 is divided by the total # of hours (184) = \$12.272 (So, the average rate of pay for this example is 12.272).
6. \$12.272 X regular hours (160) = \$1,963.52  
\$12.272 X 1.5 (time and a half) = \$18.408 X overtime hours (24) = \$441.79  
\$1963.52 + 441.79 = \$2,405.31 >>>> **This is the gross pay!**

**Note:** If you receive an average rate of pay, this rate will appear on your check stub as well as your primary rate of pay.

**Hours earned for Vacation & Sick Leave per Month:**

<u>VACATION</u>	<u>PT &gt;20</u>	<u>PT &gt;30</u>	<u>FT 40</u>	<u>FT 64</u>
1st thru 4 yrs:	4.0	6.0	8	12.8
Starting 5 yrs:	4.67	7	9.33	14.93
Starting 10 yrs:	5.67	8.5	11.33	18.13
Starting 15 yrs:	7.34	11.0	14.67	23.47
Max accumulation:	240.0	240.0	240	384

<u>SICK</u>	<u>PT &gt;20</u>	<u>PT &gt;30</u>	<u>FT 40</u>	<u>FT 64</u>
1st year:	2.0	3.0	4.0	6.4
2nd year:	3.0	4.5	6.0	9.6
After 2 years:	4.0	6.0	8.0	12.8
Max accumulation:	960	960	960	1536

**Calculation of “Non-Exempt” Employees’ Benefits When in a Without-Pay Status**

<u>Pay Period</u>	<u>Total Number of Hours in Pay Periods</u>	
	<u>40-Hour</u>	<u>64-Hour</u>
4-Week	160.00	256.00
5-Week	200.00	320.00

**Formula for Calculating Benefits for “Both” Vacation and Sick Leave Hours (Non-Exempt Employee):**

# of hours worked in the pay period / total number of hours that should have been worked in the pay period x level of benefit earning hours = hours earned in the month.

**Calculation of “Exempt” Employees’ Benefits When in a Without-Pay Status**

The “Monthly Hours Earned” tables for the 40-hour employees listed above apply to “Exempt” employees as well. However, since exempt employees are paid from the first of a calendar month to the end of the calendar month, the employee’s benefits are calculated by using the number of working days in the calendar month instead of hours.

## **Examples of Calculations of Employees' Benefits:**

### **“Non-Exempt” Employee:**

#### **Example 1**

Employee worked 135.50 hours for the month but should have worked a total of 160 hours in a 4-week pay period and is a 40-hour person earning 11.33 vacation hours per month. When adding up the total hours worked for a 40 hour position, only include regular hours worked as overtime does not contribute to earning leave time.

Formula:  $135.50 / 160.00 \times 11.33 = 9.60$  (9.60 vacation hours earned for the month rather than 11.33)

#### **Example 2**

Employee worked 290.00 hours for the month but should have worked 320 hours in a 5-week pay period and is a 64-hour person earning 12.80 vacation hours per month. When adding up the total hours worked for a 64 hour position, overtime is counted in the total but do not count extra overtime hours worked beyond the guaranteed 24 hours per week.

Formula:  $290.00 / 320.00 \times 12.80 = 11.60$  (11.60 vacation hours earned for the month rather than 12.80)

#### **Example 3**

Employee worked 212.25 hours for the month but should have worked 256 hours in a 4-week pay period and is a 64-hour person earning 12.80 vacation hours per month. When adding up the total hours worked for a 64 hour position, overtime is counted in the total but do not count extra overtime hours worked beyond the guaranteed 24 hours per week.

Formula:  $212.25 / 256.00 \times 12.80 = 10.61$  (10.61 vacation hours earned for the month rather than 12.80)

### **“Exempt” Employee:**

#### **Example 1**

Employee worked 19 days in a 31 day calendar month and earns 11.33 vacation hours per month.

Formula:  $19 / 31 \times 11.33 = 6.94$  (6.94 vacation hours earned for the month rather than 11.33)

#### **Example 2**

Employee worked 13 days in a 30 day calendar month and earns 4.00 sick leave hours per month.

Formula:  $13 / 30 \times 4.00 = 1.73$  (1.73 sick hours earned for the month rather than 4)

## Guidelines For Determining Rates of Pay for All CSPs

### General Information

1) A full-time 40 Hour "Non-overnight" CSP will be eligible for the following hours per benefit:

Holidays	= 8 Hours Each
Personal Leave	= 8 Hours Each (When Eligible)
Funeral Immediate Family	= 40 Hours Per Calendar Year
Funeral Secondary Family	= 20 Hours Per Calendar

A full-time 64 Hour Overnight CSP will be eligible for the following hours per benefit:

Holidays	= 16 Hours Each
Personal Leave	= 16 Hours Each (When Eligible)
Funeral Immediate Family	= 64 Hours Per Calendar Year
Funeral Secondary Family	= 32 Hours Per Calendar

A part-time overnight CSP earning benefits will be eligible for the above benefits in proportion to the number of hours he works during his regular "scheduled" time. No benefits are earned on additional hours worked in a substitute status.

- 2) Overtime Authorization Forms will no longer be required. However, the supervisor must initial all authorized overtime on the time card itself.
- 3) A residential CSP's workweek for determination of overtime will begin at 3:30 p.m. Friday and end at 3:30 p.m. the following Friday (5 pm for day programs).
- 4) The definition of a shift is: The assigned period of time of work (example: the time between reporting to work and leaving work).
- 5) The rate of pay for a full-time overnight CSP will always be at grade 17. This includes the employee who attends IPP's, In-Services, etc. either during his regular scheduled 64 hours or in addition to his regular scheduled 64 hours. This also applies to hours worked at all other locations.



- 6) **If a non-64 hour CSP works only day hours at any residence or day program, she will be paid at Grade 14. If she works a "shift" that includes an overnight, she will be paid at Grade 17 for that entire "shift" (note exception in guideline 7 & 9).**
- 7) **If a full-time or regular part-time non-overnight CSP works in an overnight residence, he will be compensated on Grade 14 for normally scheduled awake hours. If the employee subs to complete an overnight then he will be compensated at his Grade 17 step for the hours worked outside his normally-scheduled non-overnight shift.**
- 8) **If a regularly scheduled full-time overnight CSP occasionally works less than 64 hours in any given workweek, her rate of pay remains at Grade 17 for the hours worked.**
- 9) **If a substitute works an overnight shift, then "immediately" works at a non-overnight residence, the overnight shift is paid at Grade 17 and the hours at the non-overnight residence are paid at Grade 14.**

**PLEASE NOTE: Hopefully, the above CSP Guidelines will cover the bulk of determining rates of pay for CSPs. However, occasionally special circumstances or situations may occur which may require special decisions to be made on a case-by-case basis. When these do occur, please attach a note of explanation with the time card authorized by the Area Director.**