Subject: WAGE AND SALARY ADMINISTRATION

Date: August 4, 2021

Pages: 1 of 6

Replaces Policy Dated: March 28, 2018

PURPOSE: To establish a policy governing the creation and maintenance of a wage and salary plan for Pinal County positions.

SCOPE: The wage and salary plan applies to all Pinal County positions with the exception of Elected Officials, the County Manager, Chief Deputies covered under A.R.S. §11-419, and contract employees.

STATEMENT OF POLICY: The Human Resources Department develops, maintains, and modifies, as necessary, a non-discriminatory, uniform, and equitable wage and salary plan.

PROCEDURE:

Definitions

<u>Internal Equity:</u> Employees with similar positions, qualifications, skillsets, experience, and performance are compensated in a similar and consistent way.

<u>Reclassification</u>: Placement of a position in a different class specification as a result of a significant change in the position's duties and responsibilities that has naturally occurred over time, generally at least a year.

<u>Reorganization:</u> The realignment of departmental functions and/or structure for a valid business reason(s). Reorganization may result in the abolishment of positions or an elimination of an entire department.

Classification

County positions are allocated to an individual job class, or to a group of positions having similar duties, levels of skill, and responsibilities based on the position descriptions developed within each department. Class specifications are then developed based on these position descriptions. The group of positions allocated to a common class with a set of specifications, or class description, is then assigned a single pay range within the County compensation plan.

Elected Officials, Deputy/Assistant County Managers and Department Directors are responsible for ensuring that the contents and intent of each classification specification assigned to positions under their direction correctly reflect the duties and responsibilities being performed in each position.

Elected Officials, Deputy/Assistant County Managers and Department Directors shall be responsible for informing the Human Resources Department in writing of changes in a position's duties/responsibilities in their office or department that might possibly affect the classification of such a position.

The Human Resources Director may initiate a classification review to update and modify classification specifications or any component of the classification as is deemed necessary.

If any Elected Official, County Manager, Deputy/Assistant County Manager, or Department Director desires that a position be reviewed for a possible reclassification, they will forward a request to the Human Resources Director. The request should state the employee's name, current classification, requested classification, and a detailed basis for the request.

Reclassification reviews will be conducted at a frequency determined by the Human Resources Director. Individuals scheduled for reclassification review will be required to submit a completed Pinal County Position Survey Questionnaire completed by the incumbent or immediate supervisor if the position is vacant, and reviewed and signed by the Elected Official, County Manager, Deputy/Assistant County Manager or Department Director.

Upon receipt of the above documentation, the Human Resources Director or designee shall review the information provided. Additional information and/or a position audit may also be required. Following the position review, the Human Resources Director, or designee shall make any changes to the classification specification, evaluate the position and determine the proper class allocation with final approval by the County Manager.

A reclassification may result in one of four actions: (1) no change; (2) a change in classification specification with no change made to pay grade; (3) change in pay grade upward; (4) change in pay grade downward. If a classification action results in a change in pay grade, the corresponding change in the incumbent's salary will be to the new grade at their current pay rate or the minimum of the new grade, whichever is higher. An incumbent's salary will not be decreased in the event that a classification is downgraded. If a classification results in a change of range upward, the requesting department will be responsible for funding the increase and including additional funds that are necessary in the budget request for subsequent years. Requests for any additional funding in current or future budget years must be transmitted to the Budget Office for review and forwarding to the County Manager for action by the Board of Supervisors as may be required.

Effective dates for classification changes will follow conclusion of a classification review/study and shall not be made on a retroactive basis.

Job Evaluation

Job evaluation is a system used to determine the relationship of each job relative to all other jobs in the County without regard to the incumbent in the position. The Human Resources Director, with the approval of the County Manager, is responsible for selecting the method of job evaluation.

Pay Structure

The Human Resources Director, with the approval of the County Manager, is responsible for establishing a pay structure based upon job evaluation results.

Each position is assigned a pay grade that is between 02 and 28. Within the pay grades a minimum, midpoint, and maximum salary is identified. The midpoint is defined as halfway between the minimum and maximum. The 1st quartile is halfway between the minimum and the midpoint.

Recruitment Hiring Range

Elected officials and department directors who wish to recruit with a hiring range that has a maximum above the midpoint of the pay grade must obtain approval from the County Manager prior to beginning the recruitment process. In exceptional cases, top management positions that are equivalent to department deputy director or above, as well as some highly specialized and difficult to fill professional positions (attorneys, doctors, dentists, pharmacists, psychiatrists, psychologists, veterinarians, positions in nursing, information technology, engineering fields, etc.) may be recruited at a range above the midpoint upon a demonstrated need and submitted request for exception. An elected official's or department's request for an exception to the hiring range for recruitments must include:

- Basic Information: Position Number, Pay Grade, Position Title, Requisition Number, Job Description, and Job Posting.
- Description of current recruiting efforts, including: original date posted for recruitment, current hiring range, number and/or length of recruitments, number of applicants desired, and number of interviews desired. If interviews have been conducted, reasons for not offering the position or reasons why a job offer was declined.
- Explanation of recruitment difficulties and justification why an exception to the hiring range will result in an increase in the number of qualified candidates.
- Recruitment range requested.

Starting Pay

This sub paragraph applies to the employment of all applicants and provides salary administration guidelines for the promotion, demotion, or transfer of County employees.

Entry Salary:

It is recommended that initial hires be paid at the minimum of the assigned pay grade for the position. When the new hire's qualifications support a salary above the minimum of the assigned pay grade, the following guidelines apply.

Pay Grades 02 through 11:

Elected officials and department directors are authorized to hire positions assigned to classifications with pay grades of 02 through 11 at a starting salary up to the 1st quartile (midway between minimum and midpoint) without further approval. Requests above the 1st quartile up to the midpoint may be approved by the HR Director. Pay Grades 12 through 28:

Elected officials and department directors are authorized to hire positions assigned to classifications with pay grades starting at 12 through 28 up to the midpoint without further approval.

Entry Salaries Above the Midpoint (All Pay Grades):

Starting salary above the midpoint for all pay grades 02 through 28 require written County Manager approval. At the discretion of the elected official and/or County Manager, starting salaries above the midpoint may also be taken to the Board of Supervisors for consideration.

Required Documentation for Starting Pay Above the Minimum of the Pay Grade

Written justification for all starting salary requests above the minimum of the pay grade shall be prepared based upon the following factors and shall be submitted to Human Resources for record keeping and, when required, approval.

Applicant Attributes:

- Relevant work experience in a position with similar duties and responsibilities (as opposed to prior experience in a lower capacity or role).
- Education and/or certifications relevant to the position beyond which is required to meet the minimum qualifications.
- Specialized professional training relevant to the position beyond which is required to meet the minimum qualifications.
- Specialized skills that increase the candidate's value to the office or department.

Recruitment or Retention Challenges:

- Difficulties attracting qualified candidates to fill the position.
- Evidence of job offers declined due to pay.
- Documented evidence of retention or turnover issues.

Internal Equity Review:

A statement indicating the proposed salary does not create an internal equity issue when the new hire's salary is compared to employees holding similar positions with equal or similar experience, tenure, education, certifications, training, skills and/or other position relevant factors. Variations in salaries are able to be explained by objective differences in employee and/or position related attributes.

Budget Considerations:

There is sufficient funding in the hiring department's regular and recurring budget to accommodate the proposed salary as verified by the Office of Management and Budget Department.

Promotions/Transfers/ Demotions/Rehires

Promotion:

A promotion is defined as a change in the assignment of an employee from a position in one grade to a position in another grade having a higher range of pay. Elected Officials and Department Directors may promote County employees in accordance with Merit Rule 8, if applicable. The salary offered for a promotion shall follow the same pay grade and documentation guidelines

outlined under Starting Pay with additional consideration given to increased responsibilities and/or the complexity of assigned duties. Any promotional increase that exceeds the minimum of the new range and which is greater than five (5) percent for non-supervisory roles and ten (10) percent for supervisory or highly specialized professional roles will require the concurrence of the County Manager.

Transfer:

A transfer is defined as a change in the assignment of an employee from one position to another position in the same pay grade. An employee who is transferred will be compensated at the same rate as for his/her previous position.

When a transfer occurs as a result of an open competitive recruitment, a salary increase may be considered only if the duties of the new position are substantially different from those previously held and/or represent duties having greater complexity or responsibility. The amount of the increase may not exceed five (5) percent. Salary increases for transferred employees will require written justification, and internal equity review, and the concurrence of the County Manager.

Demotion:

A demotion is defined as a change in the assignment of an employee from a position in one class to a position in another class having a lower range of pay. An employee who is demoted either voluntarily or as a disciplinary measure will have their compensation reduced commensurate with the size of the demotion and with consideration given to internal equity. For example: An employee being paid at 10% above the minimum in pay grade 08 demotes to a position in pay grade 07, the employee would be placed at 10% above the minimum salary in pay grade 07.

Status Change Effective Dates;

Changes in status such as Promotions/Demotions/Transfers must be made effective at the start of a regular pay period. If an action is submitted to change an employee status at any time other than the beginning of a pay period, the effective date will be adjusted to the first day of the pay period in which the change occurs. Change in status, for positions covered under Pinal County Merit Rules, must also comply with Merit Rule 11- Probationary Employment Period for all Promotions/Demotions/Transfers.

Rehire:

A rehire is defined as when an employee leaves County employment and is hired again into the same or substantially similar position. Elected Officials and Department Directors may only offer a salary up to the amount the employee was earning at the time of their departure if an employee is rehired within six (6 months) of leaving County employment. For purposes of this definition, retirement from a position in one authorized retirement system and rehire into a position in another authorized retirement system (e.g. from Public Safety Retirement System into Arizona State Retirement System) on the next business or scheduled work day constitutes a rehire.

Pay Increases:

Pay increases may be given with the approval of the Board of Supervisors. Increases are not automatic and are based upon the County's ability to fund such increases on a going forward basis. Cost of living increases may be given with the approval of the Board of Supervisors. Cost of living increases are not automatic and are based upon the County's ability to fund such increases.

Variations:

Variations to this Policy which do not change its purpose or intent may be made with the approval of the County Manager.

Review Date	Brief Description of Revision, if Applicable	Board of Supervisor Approval Date/Revision Date
Review Date July 2021	1. The section requiring elected officials to go to the Board any time a new hire or promotional salary exceeds the midpoint has been removed. This authority has been delegated to the County Manager with the option to go to the Board if desired. 2. Sections have been reorganized and rewritten to help clarify the need to comply with existing procedures which have not been uniformly practiced, i.e., providing written justification for salaries above the minimum. 3. Promotional salary increases that exceed the minimum of the new range require County Manager concurrence if the increase exceeds five percent for non-supervisory roles and ten percent for supervisory or highly specialized professional roles. 4. Transfers that occur subsequent to an open competitive recruitment may be eligible for a salary increase if the duties required of the new position are substantially different from those previously performed. This will require County Manager approval. Note current policy prohibits an increase for	Approval Date/Revision Date August 4, 2021
	transfers.	