

Subject: EVALUATION AND COMPENSATION PLAN

Date: April 21, 2017

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Replaces Policy Dated: N/A

PURPOSE: To establish guidelines for Pinal County employee evaluation and compensation.

STATEMENT OF POLICY: The performance evaluation provides a means for discussing, planning, and reviewing the performance of each employee. Performance appraisals influence salaries, promotions, and transfers. Therefore, it is critical that supervisors be objective in conducting performance reviews and in assigning overall performance ratings.

SCOPE: This policy applies to all non-elected Pinal County employees. Elected Officials and salaried positions determined by statute are excluded from this policy. The performance pay system applies to all employees whose pay is not subject to some other legal restriction.

POLICY:

A. General.

1. The pay for performance evaluation system is designed to show the importance of linking employee work performance to the strategic plan and mission of the County.
2. Across the board increases are intended to be distributed equally among eligible employees.
3. Each department is responsible for establishing performance standards for each of its work units or employees.

B. Funding.

Each fiscal year the Board of Supervisors shall determine the amount of funds to be made available for pay for performance (“performance”) or across-the-board (“ATB”) pay increases. There will not be a guaranteed minimum amount of funding each year and any funding will be subject to the County’s overall financial status as determined by the Board of Supervisors. Departments or programs funded by special revenue sources (e.g., grants, HURF funds, special district property or sales taxes, etc.) will allocate funds for performance increase awards solely from those special revenue sources consistent with their legal authority to do so. The amount each such agency allocates for performance pay increases to its employees on the pay for performance pay plan, to the extent possible, will be proportional to the amount made available for pay for performance pay increases by the Board of Supervisors to general fund departments.

C. Calculations.

Increases in the pay system funding allocations to individual general fund departments will be administered as follows: The funds made available for pay increases in general fund departments will be computed as each department’s percent of eligible base wages at the time performance evaluations occur

adjusted for any separations before implementation. Each department's allocation is the same percent of payroll, excluding ineligible employees.

D. Eligibility.

1. Those employees who are in a non-probationary status and that have been employed with the County for a minimum of one (1) year, on or before the start of the new fiscal year, shall be eligible to be considered for a performance (subject to section D.2) and ATB pay increase effective the first full pay period designated in same fiscal year.
2. Employees who are either in a probationary status (original, promotional, or demotion) or have been employed in their current classification for less than one (1) year on or before June 30th of each fiscal year, are not eligible to be considered for a performance pay increase until the next performance pay evaluation period.
3. Supervisors who fail to timely submit employee evaluations are also ineligible for performance increases.
4. No employee will be eligible to be considered for a pay increase more than once in each fiscal year.
5. Employees at the maximum of their pay range are ineligible to be considered for increases.

E. Evaluation.

Evaluations will be conducted annually. Performance evaluation ratings determine performance increases. The Human Resources Director shall review the effectiveness of the County's performance evaluation system upon which performance pay is based. With the approval of the County Manager, the Human Resources Director shall make revisions to the program and/or forms as necessary to encourage employee performance that strives to attain the Mission, Vision, and Values of the County. Departments must submit completed employee evaluations no later than August 31st of the calendar year. Evaluations will be reviewed by Human Resources Department for administrative errors and may, at the Director's discretion, be returned to the department for correction. For the purposes of Section D, any evaluations returned to the department do not toll the 30 day requirement.

The performance pay percentage to be applied will be developed annually as part of the budget process by the Board of Supervisors.

1. **Right of appeal.** Employees who disagree with an evaluation or do not receive an evaluation as required by Section E of this Policy and cannot reach an agreement with their supervisor may appeal to the reviewer for another review of the evaluation. Such appeal must be made in writing to the reviewer within 10 calendar days of the performance meeting between employee and supervisor. The reviewer is designated as the supervisor of the supervisor.
2. **Reviewer action.** Upon receiving an employee's written appeal, the reviewer shall discuss the employee's appeal with the supervisor and the employee. Following the discussion, the reviewer

shall provide the employee a written response to the appeal within five calendar days of receiving it. The reviewer's written response shall indicate one of the following:

- reviewer agrees with the original evaluation;
- supervisor will revise the evaluation;
- supervisor will complete a new evaluation;
- reviewer will revise the evaluation; or
- reviewer will complete a new evaluation.

3. **Appeals of reviewer action.** The HR Director may review the evaluation process to ensure it has been conducted in a non-discriminatory manner and that an evaluation has been submitted. Such appeal must be made in writing within 10 calendar days of receiving the reviewer's action. The HR Director shall review the employee's concerns and the appropriate documentation. Following such review, the HR Director, shall provide the employee a written response (with copies to the supervisor and/or the reviewer) within 10 calendar days of receiving it indicating one of the following:

- there is no discriminatory action within the evaluation process; or
- the supervisor and/or reviewer will complete a new evaluation.

The decision of the HR Director shall be final. For the purposes of Section D, any evaluations in the appeal process toll the 30 day requirement. Failure to comply with the time requirements of this section may result in the loss of eligibility of personal performance pay increases to those involve.

F. Across-the-Board Increase.

The Board of Supervisors may approve an across-the-board salary adjustment. In such cases, all eligible employees will receive a standard increase to be determined at time of passage. Should both increases (performance and ATB) be approved, ATB will be applied as a permanent base building increase first unless otherwise noted. These increases do not affect salary ranges. The Board shall establish the effective date for implementation of the ATB salary increases for eligible employees.