



Compensation Administration Guidelines

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Compensation Philosophy

The compensation philosophy serves as a formal declaration outlining an organization's stance on employee compensation. It not only explains the rationale behind pay practices but also establishes a framework that guides future decisions regarding compensation.

This overarching goal aims to attract, engage, and retain a skilled workforce dedicated to serving the community of Teton County. To achieve this, Teton County actively seeks talent from the local labor market and regularly assesses both internal and external employee data to ensure competitiveness.

The present document is crafted as a guide for ensuring competitiveness, appropriateness, integrity, and consistency in the implementation of our salary policy. Within these guidelines, we address various aspects, such as the process of revising the pay structure, managing employee progression within the salary range, and upholding a framework that is internally equitable, externally competitive, and fiscally responsible.

Nondiscrimination Statement and Compliance with State and Federal Pay Acts

Teton County is dedicated to upholding equal employment opportunity (EEO) principles for all individuals and adheres to the nondiscrimination provisions outlined in applicable laws. We deeply value diversity and actively seek to attract talented employees from a wide range of backgrounds. As part of our commitment, we strictly adhere to federal guidelines set forth by the Equal Employment Opportunity Commission (EEOC). It is imperative that we refrain from any form of intentional or unintentional discrimination in our compensation practices or employment procedures.

In line with these principles, salary decisions at Teton County must be made impartially, without any consideration of race, color, religion, sex, national origin, age, or disability. Furthermore, we extend our commitment to include protections against discrimination based on sexual orientation, gender expression, gender identity, military or veteran status, or any other legally protected status. This principle applies to all aspects of employment and compensation within Teton County.

Teton County shall comply with all state and Federal Pay Acts respecting the compensation of employees for services performed in the public service.

Definitions:

Pay Grade: The organization utilizes a structured system of pay grades, encompassing a defined range from a minimum to a maximum value. Each specific job is assigned to a corresponding pay grade that reflects a competitive level of compensation relative to the job's responsibilities, requiring similar knowledge, skills, and abilities. It is possible for multiple jobs to be categorized under a single pay grade.

To ensure fairness and mitigate issues of pay compression and inequities, it is essential that jobs within the same career pathway have appropriate grade differentiation. This approach facilitates a more accurate reflection of the varying levels of complexity, expertise, and contributions associated with each position. By maintaining sufficient grade separation, the organization strives to promote equitable compensation practices and minimize disparities in pay among employees.

Minimum Pay: The lowest point within the salary range of a pay grade represents the minimum compensation level that any employee within that grade can receive. It serves as a safeguard to ensure that no employee's pay falls below this designated threshold. Importantly, this point is set at a level that is fourteen percent below the market rate.

By establishing the minimum point at fourteen percent below the market rate, the organization aims to strike a balance between remaining competitive in attracting and retaining talent while also ensuring fiscal responsibility. This approach ensures that employees are compensated fairly and in alignment with market standards, while also taking into account the organization's overall financial considerations.

Midpoint: The midpoint serves as a benchmark within the pay range and reflects the market rate for a particular position. When assigning jobs to pay grades, careful consideration is given to ensure that the market rate aligns with the midpoint of the corresponding pay grade. This practice allows for a fair and accurate representation of the job's value in relation to external market conditions.

When an employee's base pay reaches the market point of their position's pay grade, further base pay increases should be approached with intention and in adherence to the pay regulations outlined in the document.

Maximum Pay Range:

The highest point within the salary range represents the maximum compensation level that any employee within that pay grade can receive. It serves as an upper limit to ensure that no employee's pay exceeds this predetermined threshold. When an employee reaches the maximum point, any further increases in their compensation will be provided as lump sum amounts rather than base pay increases until the range itself is adjusted.

This approach ensures that compensation remains within a defined range and helps maintain internal equity and consistency. By capping pay at the highest point of the salary range, the organization establishes a limit on individual employee salaries to promote fairness and avoid excessive wage disparities.

Hiring Range: The hiring range within each pay grade is a targeted area where Teton County aims to position the pay for new employees. This range is carefully designed to ensure competitiveness and alignment with the organization's overarching compensation philosophy. It encompasses the space between the minimum pay point and the midpoint.

By establishing the hiring range, Teton County seeks to attract and secure qualified candidates by offering a competitive salary package. The range is strategically set to provide flexibility in determining the starting compensation for new employees while taking into account market conditions and remaining consistent with the organization's compensation philosophy.

Compa-Ratio: The compa-ratio is a metric that assesses the relationship between an employee's actual salary and the midpoint of the corresponding salary range. This measurement provides valuable insight into an employee's position within their assigned pay grade.

By calculating the compa-ratio, organizations can determine whether an employee's salary falls below, matches, or exceeds the midpoint of the salary range. This information helps identify the employee's relative position within the pay grade and serves as a valuable tool for assessing compensation equity and competitiveness.

Full Time Regular Employee: Full-time regular employees are those individuals whose employment is ongoing and sustained, and who maintain a regular weekly schedule of at least 30 hours. As full-time regular employees, they are entitled to all employee benefits provided by Teton County, as defined in the current policies or any future changes approved by the Board of County Commissioners (The BoCC).

These benefits encompass the entirety of the employee benefits package offered by Teton County. Full-time regular employees may fall into two categories: "exempt" or "non-exempt" as defined by the provisions of the Fair Labor Standards Act (FLSA).

Part Time Regular Employee: Part-time regular employees are individuals whose employment is ongoing and sustained, and who maintain a regular weekly schedule of less than 30 hours. These employees are classified as part-time regular employees and may be eligible for retirement benefits through the Public Employee Retirement System of Idaho (PERSI). However, they are not eligible for other benefits provided to regular employees.

It is important to note that part-time regular employees hired by Teton County on or before December 31, 2008, will retain their existing benefits, and no changes will be made to their current benefits package.

In the event that a part-time regular employee transitions to a full-time regular employee, it is necessary to complete all benefit-related forms at least seven days prior to the date of the employee's first paycheck as a full-time employee. This ensures a smooth transition and timely enrollment in the full range of benefits available to full-time regular employees.

Temporary Employee

Employees who work on a temporary basis are categorized into two groups: short-term and long-term temporary employees.

Short-term temporary employees are individuals who work for a limited duration, typically less than six months, and maintain a weekly schedule of less than 30 hours. While they are eligible for benefits required by law, such as Workers' Compensation insurance and, if qualifying thresholds are met, retirement benefits through the Public Employee Retirement System of Idaho (PERSI), their eligibility for additional benefits will be determined by the BoCC.

On the other hand, long-term temporary employees are those who work more than 30 hours per week and are employed for a duration exceeding six months. These individuals are considered benefit-eligible and may have access to a broader range of benefits as determined by the BoCC.

It is important to note that all employees, including temporary employees, are entitled to benefits required by law, ensuring coverage for Workers' Compensation and potential eligibility for retirement benefits through PERSI.

The specific details of additional benefits, beyond those mandated by law, will be determined by the BoCC. This approach allows for flexibility in aligning benefits with the unique circumstances and requirements of temporary employment while ensuring compliance with applicable regulations and providing a fair and competitive compensation package.

Contract Workers

Contract workers are not covered by the county's salary plan or insurance plan.

In most cases, if the county provides office space, equipment and supervision, the worker is an employee and not a contractor. Managers are encouraged to consult with the County Clerk to be certain the county stays in compliance with the Federal Fair Labor Standards Act.

Seasonal Employee: Employees who are hired for a very limited duration to meet seasonal demand are classified as seasonal employees. These individuals will receive benefits as required by law, which includes coverage for Workers' Compensation insurance and, if they meet the qualifying thresholds, eligibility for retirement benefits through the Public Employee Retirement System of Idaho (PERSI).

The availability of additional benefits for seasonal employees will be determined by the BoCC. This means that the specific benefits beyond what is legally required will be evaluated and decided upon based on the unique circumstances and needs of seasonal employment. The Board will consider factors such as the nature of the work, duration of employment, and other relevant considerations to determine the benefits that will be provided to seasonal employees.

By allowing the BoCC to determine the additional benefits for seasonal employees, the County can ensure flexibility in aligning benefits with the specific demands of seasonal work while remaining compliant with applicable regulations. This approach allows for a fair and tailored compensation package for seasonal employees while considering the organization's resources and objectives.

Job Description: A job description is a concise overview of the essential functions of a particular job. It provides a comprehensive summary that includes the general nature of the work performed, a detailed listing of duties and responsibilities, and outlines the knowledge, skills, and abilities required to effectively perform the job.

The job description serves as a vital tool in clearly communicating the expectations and requirements of a specific role within an organization. It highlights the primary tasks and responsibilities associated with the job, allowing potential candidates or existing employees to gain a comprehensive understanding of what the role entails.

In addition to outlining the core duties and responsibilities, a well-crafted job description also specifies the knowledge, skills, and abilities necessary to perform the job successfully. This may include educational requirements, professional certifications, technical proficiencies, or other specific qualifications that are essential for the position.

ANNUAL COMPENSATION ADMINISTRATION

During the preparation of the new fiscal year budget, the BoCC should consider the following:

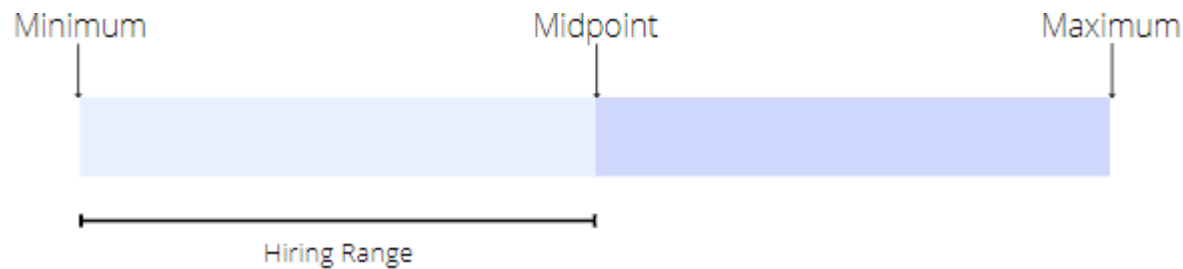
- 1) Budgeting for a Salary Structure Adjustment: A salary structure adjustment involves updating the points within the pay ranges, thereby shifting the entire pay structure's minimum, midpoint, and maximum rates. This adjustment is crucial to ensure that our compensation remains externally competitive in the evolving labor market. An analysis should be conducted to estimate the number of employees who will need to be brought up to the new minimums with the salary structure adjustment. *It is important to note that salary structure adjustments do not automatically provide an increase to all employees.* However, employees whose current salaries fall below the new minimum should receive an increase to bring them up to the new minimum.
- 2) Budgeting for an Annual Compensation Adjustment: An annual compensation adjustment should be allocated for all eligible full-time and part-time employees. This adjustment represents a base pay increase and can be determined based on individual performance or a flat across-the-board increase. If a performance-based increase is chosen, the specific increase amounts should be determined using a dynamic merit matrix that can be adjusted to fit within the allocated compensation adjustment budget.
- 3) Strategically plan for organization goals with Department Heads and Elected officials ensuring that resources and personnel needs are addressed, planned for and allocated.
- 4) Establishing a Budget Spot Awards: It is important to allocate a budget for spot awards. Spot awards can be allocated for special cases where employees have taken on specific extra duties throughout the year while still meeting their primary job responsibilities. The budget for merit adjustments and spot awards is typically maintained as a separate line item in the Commissioner's budget.

By considering these factors during the budget preparation process, the BoCC can ensure that the salary structure remains competitive, employees receive appropriate annual compensation adjustments, and exceptional performance is recognized and rewarded through spot awards.

Teton County can utilize a third-party consulting firm to run the required analysis and build compensation models to help establish these compensation administration budgets for the BoCC to review on an annual basis.

PAY RANGE STRUCTURE

The salary range is designed based on a traditional pay range consisting of a minimum, midpoint, and maximum pay points.



The pay range structure encompasses a series of salary guidelines that establish the minimum and maximum dollar values for employee compensation within Teton County. Each job is assigned to a specific pay grade, which is associated with predetermined pay points. The pay grade spans approximately 40% of the range, extending from the minimum value to the maximum value.

Within this structure, the market-point serves as a benchmark representing the average salary offered in the labor market for similar job positions. The labor market is defined as the competitive landscape where the county seeks qualified applicants and employees. It is important to note that the labor market may vary for different types of jobs. It encompasses the local area, both public and private employers, as well as counties of similar size and economic conditions within the regional area or the state of Idaho.

By referencing the market-point, Teton County ensures that its compensation remains competitive and aligned with prevailing market rates for comparable positions. This approach allows the county to attract and retain qualified talent by offering competitive salaries within the defined labor market. The consideration of local factors, economic conditions, and regional comparables helps to establish fair and competitive compensation levels that reflect the realities of the specific job market.

Setting New Hire Pay

The hiring range in Teton County serves as a designated range within which new employees are hired, providing a fair and equitable approach to establishing their initial compensation. This range spans from the minimum to the midpoint of the pay range and strikes a balance between ensuring competitive pay and fiscal responsibility.

During the determination of new hire pay, Teton County carefully evaluates various attributes of candidates, such as years of experience, education, and certifications, and compares them to others in similar positions. In certain circumstances, with proper justification and approval from the BoCC, an employee's starting pay may exceed the midpoint of the pay grade. Factors that may influence such a decision include recruiting challenges, retention concerns, exceptional qualifications, or extensive experience.

Elected officials receive a predetermined salary as established by the BoCC in the annual budget.

Salary Grade Assignment for New Jobs

The process for establishing new positions in Teton County follows a series of guidelines to ensure that the job's responsibilities and requirements are aligned with the county's needs and that proper compensation is assigned. Here is an overview of the steps involved:

1. **Identification and Job Description:** The supervisor or department manager identifies the business need for a new job and relates this need to the BoCC during the strategic planning and the budget preparation.

2. **Review and Benchmarking:** The County Clerk and County Manager review the job description, including the job summary, primary duties, and essential responsibilities. They compare this information to benchmark descriptions in market data. If market data is unavailable, the county can align the new job with similar jobs in terms of scope, responsibility level, and qualifications. For complex jobs, an external vendor should be utilized to benchmark the new job against external data.
3. **Salary Grade Assignment:** Using the benchmarking data, the County Clerk and County Manager identify the 50th percentile of the data provided and match it to the closest salary range midpoint in Teton County's salary structure. They also assess if any internal compression or inequities exist due to the selected grade and determine if an appropriate grade adjustment is necessary to address these issues.
4. **Approval and Budget Allocation:** The job description, assigned pay grade, and a summary of the departmental need are presented to the BoCC for approval. Once approved, funds for the position are allocated during the budget preparation for the following year. In rare cases, with the Commissioners' approval, funds may be allocated from the previous year's remaining balance, although it will impact the subsequent year's budget.

Outsourcing HR Function: If Teton County decides to outsource the human resource function, an external consulting firm can handle steps 1, 2 and 3. The firm will conduct an overall position analysis, recommend a grade for the newly created position, and provide a salary range for the position.

Pay Structure Adjustment

It is crucial for Teton County to regularly update its pay ranges to ensure market competitiveness. Annual pay range adjustments are necessary to attract, engage, and retain a qualified workforce by aligning the County's compensation with prevailing market rates. These adjustments, known as pay structure adjustments, specifically focus on realigning the pay ranges to reflect competitive levels.

It's important to note that pay structure adjustments differ from base salary adjustments, as they solely modify the range amounts rather than individual employee pay, unless an employee's compensation falls below the new range minimums.

The salary structure is a dynamic entity that requires regular revision to adapt to market conditions and maintain the County's competitive position. Ideally, these revisions should occur annually or every other year, based on market conditions. The objective is to ensure that the structure's market rates remain in line with current market data. To achieve this, Teton County should conduct a formal salary survey at least once every four years. This survey would be based on established benchmark positions and include analysis of comparable employers in the labor market. In years when a formal survey is not required, a smaller salary study can be conducted, focusing on specific positions of interest rather than a comprehensive review of all positions.

To determine the appropriate amount for the pay structure adjustment, Teton County can enlist the services of a third-party consulting firm. This firm would assess the market data and recommend the necessary adjustments. The final decision on the adjustment amount and the subsequent update to the pay structure rests with the BoCC, as part of the annual compensation budget review process. By involving external expertise and aligning with market conditions, Teton County can maintain a competitive compensation structure that attracts and retains highly qualified employees.

Position Change Types

Job duties and responsibilities and business needs change from time to time. Below are the types of job changes that are possible. Regardless of the type of position change, each situation must be submitted to the BoCC for review and approval.

It's important to note that the annual budget of Teton County sets the funding available for compensation in different departments. While promotions and changes in status may be recommended by officials in each department, the County Clerk reviews compensation changes within the context of the budget, and the final authority regarding promotions rests with the BoCC.

Reclassifications: Reclassification of a position may be necessary when there are significant changes in the duties and responsibilities that no longer align with the initial job description. Such changes can occur due to organizational shifts, work type modifications, scope adjustments, or technological advancements. For a reclassification to be considered, there should be a minimum of 20% change in the position's duties and responsibilities. In cases where the changes do not meet this threshold, a Pay Within Grade Adjustment should be evaluated to address any changes in the position.

Reclassification can lead to either upward or downward movement in the pay grade. It is important to note that a reclassification may result in a salary decrease for an employee, which is determined by the County Commissioners in collaboration with the relevant Elected Official. An employee whose position is reclassified to a higher level or grade may receive a salary adjustment, but it is not guaranteed. The salary adjustment for reclassification is limited to a maximum of 25% increase from the employee's current rate and must fall within the new pay grade assigned to the job. It is essential to consider internal equity, external market factors, and changes in job-related attributes when determining whether a reclassification warrants a compensation increase.

Position reclassification is not utilized solely for providing salary increases to existing employees when a vacancy occurs, nor should it be used as a means to avoid posting a vacant position. Furthermore, updates to vacant positions may necessitate reassigning the position to a different classification within the Teton County pay structure, reflecting any changes or adjustments required to accurately represent the position.

Position Reclassification Documents:

When submitting a request for classification review, the supervisor should provide the following additional information:

- 1) Reason/Circumstances for the Change in Position: This section should outline the factors that have necessitated the change in the position. It could include organizational restructuring, changes in departmental goals or priorities, evolving job requirements, or technological advancements that have impacted the position. Clearly explaining the reasons for the change will help the BoCC understand the context and importance of the reclassification.
- 2) Impact on the Department/Organization: The supervisor should highlight the implications of the position change on the department or organization as a whole. This could include discussing the effect on workflow, workload distribution, reporting relationships, team dynamics, or the overall functioning of the department. Providing a clear picture of how the reclassification will impact the broader context will aid in evaluating the request.
- 3) Comparison to Existing Positions: It may be helpful to compare the updated position to other existing positions within the department or organization. This can include highlighting similarities and differences in terms of responsibilities, required skills and qualifications,

- level of authority or decision-making, and impact on organizational goals. This comparison will assist the BoCC in assessing the position's relative standing within the current structure.
- 4) Market Research/Industry Standards: If applicable, the supervisor can provide market research or industry standards that support the need for the reclassification. This can include salary surveys, job market analysis, or benchmarking data that demonstrate how similar positions in the market or industry are classified and compensated. This information will provide valuable context and justification for the requested change.

By including these additional details in the justification letter, the BoCC will have a comprehensive understanding of the circumstances surrounding the position change, enabling them to make an informed decision regarding the reclassification.

Promotions: In the process of evaluating promotions within Teton County, the following administrative review criteria are considered:

1. Pay Grade Difference: The pay grade difference between the employee's current position and the higher-level position is taken into account. This factor helps determine the appropriate adjustment in salary for the promotion. A greater disparity in pay grades may warrant a larger promotional increase.
2. Internal Equity of Department: The internal equity within the department is assessed to ensure fairness and consistency in compensation. This involves comparing the salaries of employees within the same department who perform similar roles and have similar qualifications and experience. The goal is to maintain equitable pay relationships among employees while considering the promotion.

When recommending adjusted salaries for promotions, the County Clerk, County Manager, and Department Head collaborate to assess internal equity and determine an appropriate promotional increase. The recommended adjustments are then presented to the BoCC for approval.

Promotions generally result in a minimum increase of 5% to the employee's salary. However, depending on factors such as the incumbent's current pay and internal equity considerations, an increase of up to 10% may be necessary.

Demotions: Demotions, whether voluntary or involuntary, are handled on a case-by-case basis by the County Clerk, County Manager, Department Head, and reviewed by the County's attorney. **Any change in position that is involuntary and results in a negative impact to pay or position MUST be reviewed by ICRMP, and a Waiver must be obtained before any action is taken.** A demotion involves moving an employee from their current job to a lower salary grade position. There are various situations that may lead to a demotion, including:

1. Employee Request: An employee may request a demotion due to personal reasons, an inability to perform their current job, or a preference for the type of work in a lower-graded position.
2. Poor Performance: If the County determines that an employee's performance in their current job is unsatisfactory, a demotion to a lower-level job where the employee can perform adequately or better may be considered.

The pay treatment for demotions follows a similar approach. Typically, salary adjustments resulting from a demotion will be made to the same placement within the new (lower) salary range. However, the following criteria are taken into consideration:

1. Reason for Demotion: The reason for the demotion is evaluated to understand the circumstances surrounding the employee's movement to a lower-level position.

2. **Pay Grade Difference:** The difference in pay grades between the employee's previous position and the new lower-level position is considered when determining the salary adjustment.
3. **Internal Equity of Department:** The internal equity within the department is assessed to ensure fairness and consistency in compensation. This involves considering the salaries of employees within the department who hold similar roles and have similar qualifications and experience.

The County Clerk or County Manager, Department Head, and the County's attorney review each demotion situation and make recommendations to the County Commission. The final decision regarding demotions and related pay adjustments lies with the County Commission, considering the aforementioned criteria and internal policies.

Lateral Transfer: Lateral transfers are positions that are in the same pay grade as the employees' current position and have similar positional scope and responsibilities. In rare instances an increase or decrease can be possible depending on if there are substantial changes in positions.

Compensation Adjustment Types

Compensation adjustments that do not involve changing an employee's job or pay grade are referred to as base pay adjustments or pay within grade changes. These adjustments are made to the employee's base salary without altering their position or the pay grade associated with it.

Any proposed compensation changes, including base pay adjustments, should be initially reviewed by the County Clerk and County Manager. This ensures that the adjustments comply with established policies, guidelines, and budgetary considerations. The County Clerk and County Manager play a crucial role in overseeing and managing employee compensation, ensuring consistency and fairness across the organization.

All Compensation Adjustments should be requested during the preparation of the budget for the following fiscal year.

By involving the County Clerk and County Manager in the review, Teton County can maintain transparency, adherence to policies, and appropriate compensation practices when implementing base pay adjustments. Ultimate authority resides with the BoCC.

Cost of Living Adjustment

A cost-of-living pay adjustment is an increase in income provided to employees to offset the impact of inflation and maintain their purchasing power. It is based on an estimation of the amount needed to sustain a certain standard of living, taking into account changes in the cost of goods and services. Cost-of-living pay adjustments are not guaranteed to be awarded every year and are typically reserved for periods of inflation or when deemed necessary by Teton County. The decision to grant a cost-of-living pay adjustment rests with the county and is influenced by factors such as the Consumer Price Index (CPI), which measures changes in the average prices of goods and services over time.

To determine the need for a cost-of-living pay adjustment and the appropriate amount, Teton County may engage the services of a third-party consulting firm. This helps ensure an objective analysis of economic indicators and inflationary trends. By considering external expertise, Teton County can make informed

decisions regarding cost-of-living adjustments that respond to prevailing economic conditions and maintain the financial well-being of its employees.

Non-Regular Pay Within Grade Adjustments

Non-Regular pay within grade adjustments refers to adjustments made to an employee's base pay that do not result in a change to the pay grade of their job. These adjustments are typically intended to recognize exceptional performance, increased responsibilities, or other factors that warrant a salary increase within the existing pay grade.

Non-Regular Pay Within Grade Adjustments should be requested during the preparation of the budget for the following fiscal year.

The process for initiating a Non-Regular Pay Within Grade Adjustment involves the following steps:

1. The supervisor or department head identifies the need for a pay adjustment and gathers all relevant information pertaining to the employee and the situation.
2. The supervisor or department head presents the information and request to the County Clerk and County Manager for review and initial approval.
3. The County Clerk and County Manager department reviews the request and, if deemed appropriate, forwards it to the BoCC for final approval.
4. The BoCC evaluates the request and makes a final decision on whether to approve the pay adjustment.

Below are the following types of Non-Regular Pay Within Grade Adjustments:

- **Performance Increase:** A performance increase refers to a change in an employee's compensation that is granted based on their outstanding performance and to recognize their achievements as a high performer. These increases serve as a way to reward employees for their exceptional contributions and motivate them to maintain high levels of performance.

In the context of Teton County, performance increases should be verified against quarterly performance evaluations. These evaluations, conducted on a quarterly or semi-annual basis (determined by Elected Official), assess an employee's performance and provide a formal assessment of their accomplishments, skills, and areas for improvement. By aligning performance increases with these evaluations, Teton County can ensure that the recognition and compensation adjustments are tied to objective assessments of employee performance.

Performance evaluations should also be utilized as a tool for professional development. Regular documented check-ins with staff should be used to formulate individual development goals, improvement goals, etc and can be considered by department heads when allocating training funds or when requesting funds during the budget cycle.

The specific process for granting performance increases may involve the following steps:

1. **Performance Evaluation:** Quarterly performance evaluations are conducted to assess employee performance against predetermined goals, job responsibilities, and performance standards.
2. **Compensation Review:** The County Clerk, County Manager, and Department Head review the assessment findings and determine the appropriate compensation adjustment based on the employee's performance. This review considers factors such as budget constraints, performance guidelines, and internal equity.
3. **Approval Process:** The recommendations for the performance increase are presented to the BoCC for final approval.
4. **Implementation:** Once approved, the performance increase is communicated to the employee, and the necessary adjustments are made to their compensation.

By tying performance increases to performance evaluations, Teton County can ensure that the recognition and compensation adjustments are based on objective assessments and promote a culture of continuous improvement and high performance. This approach also provides employees with clear performance expectations and a transparent process for advancement and recognition within the organization.

- **Market Adjustment:** A market adjustment refers to a compensation change made to a job or group of jobs in response to substantial changes in the external labor market. This type of adjustment is implemented to ensure that the organization remains competitive in attracting and retaining talented employees.

In the context of Teton County, a market adjustment may be considered when the external market for certain positions experiences significant increases in compensation. The purpose of a market adjustment is to align the County's pay rates with the prevailing rates in the external market, thereby helping to retain employees within those specific jobs.

The process for implementing a market adjustment may involve the following steps:

- 1) **Market Research:** A third-party consulting firm conducts research and analysis to determine the current market rates for the specific positions in question. This research involves gathering salary data from relevant industry surveys, job market reports, and salary benchmarking studies. The BoCC may appoint a committee to oversee the Market Research.
- 2) **Comparison and Evaluation:** The collected market data is compared to the County's existing pay rates for the affected positions. A thorough evaluation is conducted to assess the extent of the market disparity and the potential impact on employee retention.
- 3) **Recommendation and Proposal:** Based on the market research and evaluation, a recommendation is made to the BoCC regarding the need for a market adjustment. The recommendation includes the proposed adjustments and the rationale behind them.
- 4) **Approval Process:** The proposal for market adjustments is presented to the BoCC for review and approval. The BoCC assesses the financial implications and determines the feasibility of implementing the adjustments.

- 5) **Implementation:** Once approved, the market adjustments are applied to the affected positions' compensation structure. This typically involves increasing the pay rates for those jobs to bring them in line with the current market rates.
- 6) **Communication:** Employees affected by the market adjustments are notified of the changes to their compensation. The communication emphasizes the County's commitment to maintaining competitive pay and retaining valuable talent.

By conducting market adjustments, Teton County can respond to shifts in the external labor market and ensure that its compensation practices remain competitive. This proactive approach helps retain skilled employees, attract new talent, and maintain the organization's ability to deliver quality services.

- **Internal Equity Adjustment:**

An internal equity adjustment is a compensation change made to address internal pay disparities among employees within the same job title or job classification. Over time, various factors such as new hires, promotions, compression, or changes in market conditions can lead to inequities in compensation within the organization.

To correct these internal inequities, an internal equity analysis is conducted to assess and compare the relevant attributes of employees within a specific job title. The analysis takes into account factors such as years of experience, years of service, performance scores (if applicable), education level, certifications, and any other relevant qualifications or criteria.

The steps involved in conducting an internal equity adjustment may include:

- 1) **Data Collection:** Gathering comprehensive data on the relevant attributes of employees within the job title or job classification. This data may include information from performance evaluations, HR records, employee profiles, and other sources.
- 2) **Attribute Assessment:** Analyzing the collected data to evaluate the various attributes of each employee, such as years of experience, performance scores, and education level. This assessment helps identify any discrepancies or disparities in compensation among employees within the same job title.
- 3) **Comparison and Evaluation:** Comparing the attributes of employees and assessing the impact of any disparities on internal equity. This evaluation considers factors such as pay differentials, progression opportunities, and overall fairness within the job title or job classification.
- 4) **Adjustment Recommendation:** Based on the internal equity analysis, recommendations are made to address the identified disparities and bring about equitable compensation. This may involve proposing adjustments to the compensation of individual employees or implementing broader changes to the pay structure for the affected job title.
- 5) **Approval and Implementation:** Presenting the internal equity adjustment recommendations to the County Clerk, or County Manager, and/or oversight

committee for initial review followed by presenting the internal equity adjustment to the BoCC for final approval.

Regular monitoring and periodic internal equity analyses are essential to identify and address any emerging disparities and maintain a fair and equitable compensation structure within the organization. By conducting internal equity adjustments, Teton County can promote employee satisfaction, engagement, and retention, while fostering a sense of fairness and transparency in its compensation practices.

- **Expanded Responsibility Adjustment:** An expanded responsibility adjustment is a compensation change made to recognize and fairly compensate employees who have taken on additional responsibilities or duties that significantly impact their role but may not meet the threshold for a full reclassification. These adjustments are typically implemented when the changes do not alter the job description by 20% or more but still make a noticeable difference in the position.

When an employee assumes expanded responsibilities, it is important to ensure that their compensation reflects the increased demands and contributions they are making. Here are the steps typically involved in implementing an expanded responsibility adjustment:

- 1) **Identification of Expanded Responsibilities:** The supervisor or department head identifies the specific additional responsibilities or duties that the employee has taken on. These responsibilities should be significant enough to warrant a compensation adjustment but fall short of triggering a full reclassification.
- 2) **Assessment of Impact:** The supervisor or department head assesses the impact of the expanded responsibilities on the employee's role and overall job performance. This evaluation considers factors such as the level of complexity, the degree of autonomy, the impact on decision-making, and the increased workload resulting from the additional responsibilities.
- 3) **Compensation Review:** The County Clerk and Human Resources department review the employee's current compensation and compare it to the market value of similar positions or similar levels of responsibility within the organization. This review helps determine the appropriate adjustment to fairly compensate the employee for the expanded responsibilities.
- 4) **Adjustment Recommendation:** Based on the assessment of the expanded responsibilities and the compensation review, a recommendation is made for an adjustment to the employee's compensation. The adjustment may be in the form of a percentage increase, a one-time bonus, or any other appropriate compensation change that reflects the additional value the employee brings to their role.
- 5) **Approval and Implementation:** The recommendation for the expanded responsibility adjustment is presented to the County Clerk, Human Resources department, or the appropriate decision-making authority for review and approval. Once approved, the adjustment is implemented in accordance with the established processes and timelines.

It is important to conduct regular assessments and reviews to ensure that employees who have taken on expanded responsibilities are appropriately recognized and compensated. This helps maintain employee morale, motivation, and engagement, while also ensuring internal equity within the organization.

By implementing expanded responsibility adjustments, Teton County can acknowledge and reward employees for their increased contributions, encourage professional growth, and retain talented individuals who are willing to take on additional responsibilities within their roles.

Temporary Assignments and Position Premiums

Situations that call for other pay increases may occur for purposes of recognizing special assignments or premiums for a particular position. Other pay increases may be awarded as base pay increases or one-time lump-sum payments. All Temporary and Position Premiums require Board of County Commissioner Approval.

Temporary Assignments

In cases where an employee is temporarily assigned to take on the duties of a higher-grade position due to a vacancy or an authorized leave of absence lasting more than thirty (30) days, the following guidelines apply:

1. **Temporary Assignment Increase:** The employee taking on the temporary assignment may receive a five percent (5%) increase in their base pay as a temporary assignment allowance. This increase acknowledges the additional responsibilities and duties performed during the temporary assignment. However, the increase should not exceed fifteen percent (15%) of the employee's current base pay.
2. **Temporary Reclassification for Long-Term Assignments:** If the temporary assignment is expected to last for six (6) months or longer, the employee may be temporarily reclassified into the higher-grade position. In such cases, the employee will be awarded an increase in accordance with the pay guidelines associated with the higher-grade position.
3. **Expiration of Acting Appointment:** Once the vacant position is filled or the incumbent returns, the temporary assignment (acting appointment) comes to an end. At that point, the acting appointee will be returned to their original classification, pay grade, and pay held immediately before the temporary assignment. Any eligible pay adjustments during the temporary assignment period will be accounted for. The pay calculations for the return to the previous position will take effect on the date the employee resumes their original role.
4. **Funding for Temporary Assignments:** If the temporary assignment is the result of a vacant position, the funds allocated for that position will be utilized to support the temporary assignment pay increase.

It is important to follow these guidelines to ensure equitable compensation for employees taking on temporary assignments with increased responsibilities. By providing appropriate compensation and considering the duration and circumstances of the temporary assignment, Teton County can recognize and incentivize employees while maintaining a fair compensation structure.

Premium Pay Types

Premium pay refers to additional compensation provided to employees in recognition of specific circumstances or responsibilities beyond their normal duties. In Teton County, various forms of premium pay are offered to eligible employees, ensuring fair and equitable compensation practices. These premium pay types include:

- Night Differential: Employees working the night shift between 7 p.m. and 7 a.m. are eligible for a night shift differential of \$2.00 per hour in addition to their regular base rate of pay. This differential compensates employees for the challenges and inconveniences associated with working during nighttime hours.
- Field Training Officer: Officers designated as Field Training Officers receive an additional 10% of their base pay per hour for their role. Budgeting for Field Training Officer positions is allocated from the Staff Training budget, which falls under the responsibility of the Sheriff's Office.
- K-9 Handlers: Employees responsible for handling the K-9 unit in Teton County receive an additional 7 hours of pay at their regular base rate each week. These additional hours do not count towards eligibility for overtime, acknowledging the extra responsibilities, skills, and knowledge required for this role.
- DUI/Grant Duties: Employees involved in DUI/Grant Duties receive time and a half for all hours worked related to these duties, regardless of their overtime eligibility status.
- Detective "On Call" Pay: Detectives designated as "On Call" during a pay period receive 4 hours of compensatory time.
- Interpreter Pay: Employees assigned as Interpreters in Teton County are eligible for additional compensation to recognize their specialized skills and responsibilities. The specific rates of additional pay depend on the employee's certification status and whether they are a court clerk.
 - Court Clerks assigned Court Clerk Interpreting duties and holding the required certification receive an additional \$2 per hour on top of their regular base pay rate, reflecting the combination of court clerk responsibilities and interpreting skills.
 - Employees who are not court clerks but are willing and able to perform interpreting duties, have department head approval and meet the county's needs receive an additional \$1 per hour on top of their regular base pay rate, acknowledging their contribution to providing interpreting services.

The determination of eligible positions and criteria for each type of premium pay is made by the BoCC. Employees should be informed of their eligibility, and appropriate guidelines and policies should be followed when implementing and administering premium pay.

When implementing premium pay in Teton County, the process involves:

Professional Development Plan: During quarterly performance evaluations, employees and supervisors discuss professional development goals and identify additional skills or qualifications needed for eligibility. A professional development plan is created to outline the necessary training or certifications for each type of premium pay.

Budget Process: The request for premium pay is included in the annual budget process. The department or division overseeing premium pay compiles necessary information, such as the number of eligible employees, anticipated costs, and justification for the pay

differential. This information informs the budget allocation for premium pay in the upcoming fiscal year.

Approval and Implementation: The budget proposal, including the request for premium pay, undergoes review by appropriate authorities, such as the County Clerk, Human Resources, and the BoCC. Based on the budget review and available resources, the BoCC makes a decision on implementing premium pay. If approved, the premium pay rates are communicated to eligible employees, and the additional compensation is provided according to established guidelines.

By integrating professional development planning into performance evaluations and including premium pay requests in the budget process, Teton County ensures a structured and transparent approach to implementing and administering premium pay. This approach aligns employee development goals with the county's needs and financial considerations, fostering professional growth and recognition for employees providing specialized services.

Recognition Methods

The purpose of an alternative reward program differs from other aspects of total compensation, such as salary and benefits. While salary is payment for the job and benefits protect the employee's well-being, recognition rewards or incentives are intended to engage, motivate, and reward employees for achieving desired outcomes. Unlike other forms of compensation, recognition rewards do not have to be expensive or create cost liabilities for the county. If monetary recognition is awarded, it is typically provided as a one-time payment or a gift card and is not added to the employee's base salary. It is highly recommended that Elected Officials and Department Heads utilize a combination of verbal recognition and spot awards to acknowledge and express gratitude for employees' ongoing contributions.

Teton County has established three types of recognition methods: spot awards and verbal recognition. While verbal recognition has no associated cost, spot awards should be budgeted for based on the availability of funds.

Spot Awards: The spot awards program is designed to recognize employees or groups of employees who have gone above and beyond their regular duties. It acknowledges one-time achievements rather than sustained performance over a specific period. A common form of spot award is an "on-the-spot" cash reward or a gift certificate from a local business, typically in denominations of \$25, \$50, or \$100. Employees, or groups of employees, may receive more than one spot award per fiscal year, but the total value of all recognition awards should not exceed \$100 per fiscal year. Monetary awards are included as part of the employee's regular payroll check and are subject to normal tax withholdings. It is recommended that a letter be provided to the employee outlining the reason for the spot award and the amount of the award. Spot awards must be requested by a Department Head or Elected Official and submitted for approval to the County Manager or the BoCC. A specific fund resides in the Commissioner's budget for Spot Awards.

Verbal Recognition: Verbal recognition is a highly effective and fiscally responsible form of acknowledging employees' contributions. It fosters strong employee engagement and a sense of belonging, while also encouraging employees to replicate their exceptional efforts in the future. Research has shown that recognizing employees for their hard work and dedication motivates them to continue performing at a high level.

Longevity Award: Teton County values service longevity in the workplace and has established a series of one-time lump sum bonuses for employees who meet certain service intervals. The breakdown is as follows:

- 10 Years of Service- \$300
- 15 Years of Service- \$600
- 20 Years of Service- \$900

These lump-sum bonuses are subject to taxes and are paid after each service interval is met.