



**FY ~~2021~~ ~~FY2022~~ 2022 - 2023**

## **Pinal County Employee Compensation Plan**

### **Purpose:**

To establish guidelines for: I) Across-the-Board pay increases, and II) Discretionary Performance, Market, and Equity Adjustments necessary to: encourage critical recruitment and retention; be responsive to current inflationary challenges and the exceptionally tight labor market; promote internal equity based upon relevant qualifications and performance; and maintain consistency in the County's market position among comparators so that the County continues to have the engaged, professional workforce needed to provide quality services to its residents.

### **Statement of Policy:**

The basis for this Plan is established in Pinal County Policy and Procedure, 4.20, Wage and Salary Administration, 4.25, Evaluation and Compensation Plan, and 4.28, Compensation Plan Maintenance.

### **Scope:**

This Plan applies to all Pinal County Elected Offices, appointed departments, and special districts, as well as, the Superior Court of Arizona in Pinal County. Excluded from the Plan are all elected officials and salaried officials whose compensation is set by statute. Also excluded are Pinal County Sheriff's Office deputy and detention personnel covered under a separate Board of Supervisors' authorized step plan. Chief Deputies of elected officials are eligible to receive the across-the-board increase with the concurrence of the elected official.

### **I. Across-the-Board Increase (ATB)**

In accordance with Policy 4.25, across-the-board increases shall be distributed equally among eligible employees.

#### **A. Employee Eligibility Criteria**

For purposes of this FY ~~2024~~ – FY ~~2023~~ Plan only, the following eligibility criteria applies and supersedes Policy 4.25.

1. Be a full or part-time employee as of June 30, ~~2024~~.
2. Meet minimum performance standards (successful or above) as documented on a current performance evaluation completed and submitted to Human Resources by August 31, 2022. The requirement to complete a performance evaluation, however, has been waived with exceptions as noted in this Plan.

~~2.~~

~~3. Required performance evaluation exceptions are as listed below. Supervisors must complete performance evaluations for:~~

~~a. Employees whose current, overall performance needs improvement or those whose most recent performance evaluation has an overall rating of "improvement needed".~~

~~These employees must have a current evaluation completed and submitted to County Human Resources by August 31, 2021, if an evaluation reflecting their performance deficiencies has not already been completed covering the FY2020-2021 timeframe. In addition to the performance evaluation, a Performance Improvement Plan shall be prepared outlining what is required to address the deficiencies.~~

~~b. 3. Employees with less than one year of continuous service as of June 30, 2021, shall be eligible once they have successfully completed their initial probationary period or six (6) months of continuous employment if the employee is in a position which is not covered by a Merit System. In either case, an evaluation covering the applicable period with a rating of 2 or 3 must be completed and on file with County Human Resources before an ATB increase will be processed.~~

~~d. 4. Employees meeting or exceeding minimum performance standards who have been promoted or voluntarily demoted and who do not have an evaluation on file covering the current position held will be eligible for the ATB increase. However, an evaluation for the currently held position should be completed and submitted to County Human Resources by August 31, 2021, or at the end of the promotional probationary period, whichever is later.~~

~~5. 5. Departments with employees on approved leave who do not have the required performance evaluations on file with County Human Resources should contact County Human Resources for guidance.~~

~~6. 6. Employees who were promoted, transferred or voluntarily demoted are eligible as long as they meet all other criteria.~~

~~7. 7. Employees who terminate employment before their pay increases are processed through the payroll system are not eligible.~~

**B. Performance Evaluations**

~~Performance evaluations shall be completed for all employees as outlined in Policy 4.25. Due to the impact COVID-19 had on the work and the workforce during FY2021 resulting in changing goals and performance expectations; increased demands on limited resources; increases in telework, staggered schedules, and employee leaves all of which may challenge the supervisor's ability to complete fair, accurate evaluations—current written performance evaluations **will not** be mandatory for eligible employees~~

~~unless: 1) the employee has recently completed a probationary period, or is currently in an initial probationary period, and an evaluation has not been completed covering their probationary period, or 2) the employee's overall performance "needs improvement".~~

~~Supervisors shall continue to engage in meaningful performance management practices with their subordinates. Supervisors are encouraged to provide regular feedback to employees regarding their performance as well as to document performance highlights and/or opportunities for improvement.~~

~~Additionally, supervisors are expected to establish written performance goals for FY2022 with each employee under their supervision.~~

### **C. Funding**

The Board of Supervisors has authorized a ~~two and one half (2.5)~~six (6) percent across-the-board increase for eligible employees. Department budgets have been or will be adjusted as necessary to cover regular salaries and associated employee related expenses to cover the costs of the Plan.

### **D. Effective Date**

1. The effective date for the implementation of the ATB increase for eligible employees is September ~~19~~18, 20212.
2. Increases for employees who will become eligible on or after September ~~19~~18, 20212, will be at the beginning of the first pay period after they become eligible.

### **E. Implementation**

1. Departments will be provided spreadsheets by County Human Resources and are expected to verify that all eligible employees are included and that employee information is correct.
2. Increases will be applied to the base pay unless doing so would cause the employee's salary to exceed the maximum of the market range for their position grade. Any salary adjustment above the maximum of the range for the grade shall be given as a one-time lump sum, if the established market range is based upon current market conditions as determined by County Human Resources. Otherwise, due to the current tight labor market and market volatility, an adjustment to the base will be authorized as an exception for this Plan year only.
  - a.     Part-time employees shall be considered at the maximum of the range for their position if their current hourly rate multiplied by 2080 hours meets or exceeds the maximum of the range.
3. Employees who become eligible for an increase on or after September ~~19~~18, 20212, shall be processed once notification has been sent to County Human Resources

documenting the employee has successfully completed their initial probation, or six months of employment if not covered by a Merit System, to include a performance evaluation demonstrating the employee meets performance eligibility standards, i.e., a rating of 2 or 3.

## II. Discretionary Performance, Market, ~~and~~ Equity Adjustments, and One-Time Awards (Critical Recruitment and Retention)

When necessary to attract, hire, and/or retain employees identified as critical to the successful achievement of strategic goals and priorities, additional salary, one-time performance or critical retention awards, and/or market adjustments may be authorized according to the guidelines detailed in this Plan.

This limited discretion, enables the County Manager and Elected Officials to:

1. Resolve critical recruitment and retention issues that require agility in order to be responsive in a timely, productive and cost-effective way.
2. Implement pay grade changes and market and equity adjustments necessary to encourage recruitment and retention and maintain consistency in the County's market position.
3. Address internal pay equity issues based upon relevant qualifications and/or performance.
4. Reward high performers when supported by documented evidence which distinguishes the employee from his/her peers for having contributed to a program or practice which has had a significant, quantifiable, positive impact on the operations of the County, department or community.

~~4.~~

### A. Criteria for Consideration

For consideration to be given to a discretionary performance, market, and/or equity adjustments, Appointing Authorities shall:

1. Identify the *critical* recruitment or retention issue. Detail why the compensation adjustment is required. For example:
  - a. A high performing employee, as documented in his/her personnel file, has been offered a higher salary for an equal or lesser position with a comparator and the cost for a replacement exceeds the cost of retention and/or the market data and position recruitment experience indicates a

qualified replacement is unlikely and/or the loss of experience and skills will have a substantial impact on the quality of services provided.

- b. A critical position is posted for recruitment and all available, reasonable recruitment and marketing efforts have resulted in no or insufficiently qualified applicants.
- c. The turnover rate for the position consistently exceeds 10 or more percent and exit interviews substantiate compensation is the primary contributing factor.
- d. A high performing employee has distinguished himself/herself by making a significant, quantifiable contribution to the department or County beyond that which would be expected of the role. The justification for this award must be fully documented and supported by the employee's performance rating and comments contained in their most recent performance evaluation.

2. Establish an objective business case for the change proposed, to include:

- a. Data and analysis which shows how the failure to address the critical need will have a significant negative impact on the department's ability to provide mandated or essential services.
- b. Data and analysis which demonstrates how the proposed compensation adjustment will enable the department to better meet the County's and/or customers' current and emerging needs in a productive and cost-effective way.
- c. Information which indicates why the compensation adjustment is more important than other financial and/or resource priorities.

3. Determine the funding.

- a. Does the department have sufficient current and ongoing budget capacity to fund the increase(s)?
- b. If additional budget capacity is required, why is this compensation adjustment more important than other financial and/or resource priorities?

4. Determine the impact.

- a. Will the compensation adjustment have a positive (or negative) impact on other employees, departments, mandates, or services?

## **B. Responsibilities and Approval Authority**

Elected officials and department directors shall submit completed requests for discretionary increases through the County Human Resources Department and Office of ~~Management and~~ Budget and Finance to the County Manager for consideration and approval.

The County Human Resources Department shall provide and/or verify the following information as applicable: performance, market, recruitment, equity, and/or turnover data.

The Office of ~~Management and~~ Budget and Finance shall verify current and recurring funding.

The County Manager shall collaborate with the elected official when making a determination for approval. At any point in the process, and at the discretion of the County Manager and/or the elected official, the request may be brought to the Board of Supervisors for consideration.

Approval for requests made by appointed departments shall be determined at the sole discretion of the County Manager.

This Plan authorizes ATB increases for all eligible employees to include Board of Supervisors' staff and direct reports. Any additional discretionary salary adjustments or one-time retention awards that may impact upon the Board of Supervisors' staff and/or direct reports, e.g., County Manager, Clerk of the Board, must be brought to the Board of Supervisors for consideration and approval.

## **C. Funding**

In the FY2021-FY2022 budget, the Board of Supervisors set aside funds to be used for critical compensation, performance, and market based adjustments as needed during the year.

Compensation adjustments authorized by this Plan shall first be funded within the department's authorized budget, if possible.

If insufficient funding exists in the department, department budgets will be adjusted as necessary to cover regular salaries and associated employee related expenses for pay increases authorized in accordance with this Plan.

The total amount of the Plan shall not exceed the departments' ability to fund authorized adjustments in combination with funds set aside for this purpose in the Board of Supervisors' approved FY2021 - 2022 budget without prior Board authorization.

**D. Effective Date**

Approved changes to salaries and/or position funding necessary to address critical recruitment and retention of employees shall be effective the first pay period following approval and implementation.

**Variations:**

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