



**Blount County Government
Human Resources Department**

Compensation Policies

The following policy outlines the administration of pay changes based upon the category of change. All final decisions on the administration of pay are subject to approval by Blount County Commission. In all instances of employee/job reassignment, the employee would be placed in the range, not to exceed the maximum of the range unless specifically stated. Unless otherwise stated, any change in pay would be effective with the next full pay period.

A. Reclassification

1. When a job has been reclassified to a higher pay grade, the employee's salary shall increase at least 5% in the new pay grade that includes the new salary but is not more than the maximum salary of the new pay grade.

If the reclassification results in an upgrade of one pay grade, the employee's pay will be moved upward by 5%. An upgrade of two or more pay grades will increase the employee's pay by an additional 2.5% increase for each additional pay grade, up to a maximum of 15%. Any increase of more than 10% would require documentation by the department or agency and a supporting recommendation from Human Resources.

For general reclassifications resulting from an internal or external compensation study or resulting from the normal budget process review:

- a. Employees in positions on or before the first day of the fiscal year: the effective date of any approved change will be the first day of the new fiscal year (or the effective date of implementation as approved by the County Commission) provided that the employee has completed the appropriate introductory period.
- b. Individual reclassification completed outside the normal budget cycle: the effective date of the pay increase will be consistent with the next full pay period.

Reclassification or changes in pay grade, whether resulting from an internal or external compensation study or individual change in pay grade, **shall not be** retroactive with respect to calculating the new salary.

Internal Equity Adjustments are not tied to performance measures. ***The leadership may determine an Internal Equity Adjustment strategy that is separate and apart from the guidelines that cover reclassification.***

Internal Equity Adjustments, resulting from an internal or external comprehensive review, can be to a higher or lower pay grade and are not considered a reclassification, promotion, or demotion.

2. When a job has been reclassified to a lower pay grade, the affected employee(s) shall have their pay grade adjusted accordingly. The effective date will be the day following the Board of Commissioners adoption date and the change will be reflected in the next full pay period.

If, after the pay grade adjustment, the employee(s) salary is greater than the maximum salary of the new pay range, the employee will continue to be paid at the higher rate of pay. The salary would be “frozen” and the employee is typically ineligible for any pay adjustment until the range “catches up” with the salary and allows for movement.

B. Promotion

1. When an employee is promoted as a result of a job change or job progression to a higher pay grade position within the same or to a different salary schedule, the salary placement within the new pay grade shall be determined as follows:

Apply 5% on the salary of the previous grade/schedule and salary for promotions of one paygrade, and an additional 2.5% for each additional pay grade up to a maximum of 15%.

- The resulting pay will be no less than the minimum of the new pay grade and no less than a 5% salary increase, but not more than the maximum salary of the assigned pay grade. The effective date will be the day of approval.
2. There may be times when the uniqueness of an individual job and level of necessary skills required by the County may require a higher salary schedule placement than stipulated in this section. Under such circumstances, the County Mayor/HR Director *may approve a higher salary placement within the assigned pay grade, based upon necessity and requirements of the position and not on the qualifications of the incumbent.*
 3. After promotion, employees must complete the standard six (6) month introductory period. A performance evaluation must be completed after the introductory period is complete and submitted to Human Resources.
 4. If, during the standard six (6) month introductory period, it is determined that the employee does not meet the minimum performance requirements for the new position or is dissatisfied in the new role, the employee will be returned to the previous position and corresponding step and grade.

C. Lateral Transfer

A lateral transfer occurs when an employee is transferred from one job class to another in the same pay grade. When there is no change in pay grade there shall be no adjustment in base salary. A lateral transfer is not considered a reclassification or a promotion.

Annual Step Increases

If approved by Blount County Commission, step-increases are awarded to employees annually. To qualify for step-increases, employees must have completed the required six (6) month introductory period and receive a positive performance evaluation earning at least a 3.0 or higher. Employees receiving a promotion will not receive the step increase on the same schedule. ** The annual step-increase will be awarded for employees receiving a promotion after the required six (6) month introductory period has been completed with a grade of 3.0 or higher on the required performance evaluation.

Temporary Assignment(s)

1. "Acting" or temporary assignment(s) occurs when the County recognizes a critical job assignment need that must be met and cannot be met through the normal recruitment process. This can occur when an unexpected vacancy occurs; when a mission critical job cannot be filled in a timely fashion; or when a mission objective changes abruptly and requires an immediate action.
2. Temporary or "acting" assignment(s) are anticipated to last more than 30 days, but less than 6 months. The purpose of a temporary or "acting" assignment is to fill a vacancy and not to assume the duties of another employee who is on approved leave, i.e. vacation, holiday, medical, or other short-term absence(s).
3. If the position assigned is lower in pay grade (or substantially equivalent pay range) this would not result in a lower salary for the assigned employee even if the employee's salary exceeded the maximum of the new pay range.
4. If the position assigned is higher in pay grade and extends beyond 30 days, but less than 6 months, there should be a 5% "temporary assignment" pay adjustment for the first pay grade and 2.5% for each additional pay grade to a maximum of 15% or the minimum of the grade, whichever is higher. The employee's salary shall not exceed the maximum of the assigned range. Employees receiving temporary assignment pay shall sign an agreement acknowledging the understanding that they are receiving "Temporary Assignment Pay" and also acknowledging that when the temporary assignment ends, the "assignment pay" will also end.

Hiring

1. The hire rate for a new employee with no equivalent and/or relevant level experience is typically the minimum of the salary range to which the job classification is assigned.

2. New hiring rates (or re-hires) for employees may consider directly relevant experience and/or experience that can be verified by the Human Resources Department. *Employees who have left the County and have been officially terminated will be re-hired using this approach and will not be rehired at the previous salary.* Re-hires who have left the County's employment will be considered using the same approach as new hires.
3. Internal Equity is an equally important consideration in filling a vacant position. Before a salary offer is made, Human Resources will also consider the current salaries, level of education, relevant licenses/certifications, and length of service in the same/similar job class or classes of current incumbents. It is the policy of the County to make every effort to avoid inverted salary relationships by bringing in newly hired employees at a salary that exceeds the current salaries of comparably placed existing employees in the same/similar job class.
4. The Human Resources department may additionally consider a higher salary offer if the open position is determined to be a "hard to fill" position.

"Hard to fill" positions will be determined by the Human Resources Department and will be based on the length of time the position has remained unfilled, the difficulty to recruit, the "mission critical" nature of the work and the market conditions of the position, at the time of a vacancy.

5. Hiring Range is typically considered that span in salary between the minimum of the range and the market point for most positions. For Directorships or Assistant Director level positions, the qualifications of the applicant and/or the needs of the County should include the discretion to hire anywhere within the range. However, consideration should still be given to existing salaries of other employees who are in directly comparable leadership positions.

Maximum of the Range

Ranges are established to reflect the market value of a given job profile and not an incumbent. Once an employee reaches the maximum of his/her assigned range, the salary is frozen, and the employee is not eligible for any additional compensation unless there is a range movement that would result in a higher maximum.

Salary Adjustment for Department Directors

There should be some flexibility for making salary adjustments for Departmental Directors beyond an annual increase when it is based on exceptional performance. The salaries of other substantially equivalent employees should also be given consideration to not create undue inequity in the salary relationships between and among comparable levels of peers.