

Administrative Guidelines – Employee Compensation Plan

Donna ISD
2020-2021

TABLE OF CONTENTS

Compensation Policy.....	2
Description of Pay Systems.....	2
Job Documentation (Description).....	2
Exemption Status.....	2
Job Classification.....	3
Classification of New Positions.....	3
Job Reclassification.....	3
Procedures for Job Reclassification.....	3
Salary Adjustments for Job Reclassification.....	4
General Pay Increases and Eligibility.....	4
Employees on Salary Schedules.....	4
Employees on Pay Ranges.....	5
Salary Placement of New Hires.....	5
Salary Schedules – Teacher/Librarian/Nurse (RN).....	5
Salary Placement – Career and Technical Education Teachers.....	5
Salary Range Placement – Exempt and Nonexempt Staff.....	6
Promotion Increase.....	7
Reassignments.....	7
Pay Adjustments for Reassignment to a Lower Pay Grade.....	7
Review and Adjustment of Pay Ranges.....	8
Reinstatement Following Break in Service.....	8
Extracurricular Stipends.....	9
Request for Job Classification Review Form.....	

Compensation Policy

Refer to board policies DEA, DEAA, and DEAB Legal and Local for all district policies and state and federal regulations governing employee pay practices.

The superintendent shall recommend an annual compensation plan for all district employees to the board for approval. The employee compensation plan may include wage and salary structures, stipends, benefits, and incentive pay plans.

The superintendent and designees shall administer the compensation plans consistent with board policies, the annual budget approved by the board, and these administrative guidelines.

Description of Pay Systems

Employee pay systems are designed and administered for the purpose of attracting and retaining qualified employees to achieve the goals of the district. Human resources is responsible for the maintenance and administration of employee pay systems. Teachers and nurses (RN) will be paid according to a salary schedule that correlates salaries to total years of creditable service in education. Other district jobs will be assigned to a pay grade and range structure that sets the range of pay for the position. Jobs are assigned to pay grades on the basis of required job qualifications and skills; job duties and responsibilities defined by the district; and competitive job market rates for comparable jobs.

The district pay plan includes:

- Teachers and Nurses (RN)
- Administrative-Professional Exempt Staff
- Clerical/Technical Support Nonexempt Staff
- Instructional Support Nonexempt Staff
- Auxiliary Nonexempt Staff

Pay ranges and salary schedules are reviewed and adjusted periodically. Employee pay is adjusted based on the pay increase budget and guidelines approved by the board annually.

Job Documentation (Description)

Job documentation is an essential function in the administration of the compensation system. Accurate and complete job documentation will be collected and maintained by human resources with input from job supervisors. Job descriptions will define job qualifications, job purpose, major duties and responsibilities, working conditions, and exemption status. Job titles are assigned by human resources to accurately reflect the level and nature of work and the organizational structure of the district.

Exemption Status

All jobs will be classified as exempt or nonexempt in accordance with the requirements of the federal Fair Labor Standards Act (FLSA) and documented on the job description. Human resources will determine the

classification of each position based on a description of assigned job duties and weekly pay. In order to be exempt, the employee's primary duties must meet the requirements defined by federal regulations for the executive, administrative, professional, or computer employee exemption test or be a teacher, and the employee must meet federal salary requirements. All employees who do not meet the legal requirements for exemption are classified as nonexempt.

Job Classification

Job classification determines the assigned pay range for a job. Job classification is based on job requirements, assigned duties, and market rates. All jobs are classified for pay based on the relative level of knowledge and skill requirements, scope and complexity of assigned duties, job accountability, and working conditions. Human resources will collect job information, evaluate jobs for classification purposes, and assign jobs to pay grades.

Classification of New Positions

Prior to posting, new positions must have a written job description created collaboratively by human resources and the hiring supervisor. Human resources will recommend to the superintendent the pay grade classification of new positions based on the job description, qualifications required, and market value. New positions must be classified in the pay system prior to hiring new employees.

Job Reclassification

A job reclassification occurs when a job classification is changed to a higher or lower pay range. Jobs may be reclassified as a result of a significant and sustained change in job duties assigned, a need to improve internal pay equity with similar jobs, or a change in competitive market rates.

Procedures for Job Reclassification

Review of job reclassifications must be initiated by the cabinet-level supervisor or by human resources. Jobs previously submitted for review within the last 18 months and newly created jobs are not eligible for review. Reviews will be conducted as follows:

A request for a job classification review must be submitted on a form provided by human resources that describes the rationale for reclassifying the position and provides an explanation of changes in job duties and responsibilities. The request also should include current and proposed job descriptions. The request must be approved by the cabinet-level supervisor before submitting to human resources.

Human resources will review the request and obtain additional information if needed. Additional information may be obtained from the supervisor and/or employee(s), or by analyzing external job market pay data.

Human resources will evaluate the job classification and prepare a recommendation for review by the superintendent or designee.

Salary Adjustments for Job Reclassification

A change in job classification will result in a greater or lesser potential for long-term pay advancement. Salary adjustments cannot be made for contract employees after the beginning of the contract term unless the job responsibilities have increased. Aside from prohibited salary changes for contract employees during the contract term, salary adjustments for job reclassification may be approved in the following circumstances:

- If the job is reclassified upward due to an increase in responsibilities, the procedure for promotion increases may be applied;
- If the job is reclassified due to organizational changes, there may be no immediate pay increase;
- If the job is reclassified due to a change in the competitive job market for hard-to-fill positions, equity adjustments may be made at the direction of the superintendent subject to contractual pay change restrictions;
- If the job is reclassified to a lower pay range based on a reduction in assigned responsibilities, the employee's pay may be reduced at the direction of the superintendent for the following school year. Refer to procedures on pay adjustments for reassignment to a lower pay grade.

General Pay Increases and Eligibility

Employee pay will be reviewed annually for adjustment. The general pay increase (GPI) will be recommended to the board by the superintendent each year. They are based on the annual amount budgeted for pay raises and approved by the board. General pay increases provide the same dollar amount of increase to employees in the same pay grade. Teachers will be granted a GPI and reflected in the hiring schedule for the next year. Pay increases that result in pay that exceeds the maximum rate of the pay range must be specifically authorized by the board each year.

To receive a general pay increase, an employee must be in a paid status or on an approved leave of absence at the time of the first pay cycle reflecting the pay increase.

Employees on Salary Schedules

Pay increases for jobs on salary schedules (teachers and registered nurses) are calculated by applying the percent increase approved by the board each year to the market rate.

Example:

Annual Increase:

<i>Market Rate</i>	<i>\$56,000</i>
<i>% Increase</i>	<i>.03</i>
<i>Annual Increase</i>	<i>\$ 1,680</i>

Employees on Pay Ranges

General pay increases for employees on pay ranges are calculated by applying the percent increase approved by the board each year to the (midpoint rate of the pay range). Employees in the same pay grade will receive the same rate of increase when pay increases are calculated as a percent of midpoint, unless the employee's pay is close to or exceeds the maximum of the pay range. Pay increases for employees in the educator career path on pay ranges (e.g., Counselor, Assistant Principal) should be measured against teacher pay increases to ensure they're at least equal to the pay increase for teachers.

Example: Range Midpoint x Percent Increase = Pay Increase

Secretary – Pay Grade 3

<u>Rate Increase</u>		<u>Annual Increase</u>	
<i>Range Midpoint</i>	\$14.87	<i>Hourly Increase</i>	\$ 0.45
<i>% Increase</i>	<u>x .03</u>	<i>Duty Hours</i>	x 7.5
<i>Hourly Increase</i>	\$ 0.45	<i>Duty Days</i>	<u>x 226</u>
		<i>Annual Increase</i>	\$ 763

Placement of New Hires

Salary Schedules – Teacher/Nurse (RN)

Salaries for teachers and nurses (RNs) who are new to the district will be determined by total creditable years of service in education and the district's salary schedule for the current year.

Creditable years of service will be determined by human resources as defined by state regulation at the time of employment. (TAC Title 19, part II, 153.1021) New hires will receive salary credit for years of service up to a maximum of 20 years.

Salary Placement – Career and Technical Education Teachers

Career and technical education teachers (may limit to specific CTE fields) may be granted additional years of placement credit for work experience that is directly related to the career and technology field in which they are currently teaching.

Credit may be granted in the following manner:

- 1 year of placement credit on the teacher scale for every 1 full year of related experience up to 5 years ("1 for 1" credit); and
- 1 year of placement credit on the teacher scale for every 2 full years of related experience for more than 5 years ("1 for 2" credit).

Example: Health Sciences teacher with 7 full years of previous nursing experience

1 for 1 credit up to 5 years	= 5 years
1 for 2 credit for years 6 and 7	= 1 year
<hr/>	
	= 6 years of credit

Salary Range Placement – Exempt and Nonexempt Staff

Starting pay for a new hire in a pay range plan will be determined individually based on each person's job-related experience and salaries paid to peer employees in the same position with similar experience.

The guidelines for placement are as follows:

- a) Peer equity
In multi-incumbent positions (e.g., classroom aide), starting pay for a new hire should not exceed rates being paid to other employees in the same job with similar experience and qualifications.
- b) Midpoint limit
Starting salary may be set up to the midpoint of the pay range based on job-related prior experience and the salary of peer employees. With approval from the superintendent, a starting salary may exceed the midpoint of the pay range and/or peer employees for a hard-to-fill key position.
- c) Placement credit for prior experience
 - a. Subject to guidelines a – b, starting pay for exempt and nonexempt jobs that require prior experience will be determined by these guidelines:
 - i. Exempt: 1 percent above minimum for each year of job experience directly related to job duties. Credit for teaching experience is limited to 5 years for salary placement for teachers promoted to a position that requires educator certification on the Administrative-Professional pay schedule.
 - ii. Nonexempt: 1 percent above minimum for each year of job experience directly related to job duties for positions/pay grades without placement scales.
- d) Placement Scales
 - i. Nonexempt: Salary placement scales may be used to determine rates of pay for newly hired employees on the (clerical support pay grades 1-4, instructional support pay grades 1-2, and auxiliary pay grades 1 and bus drivers).
 - 1. Individual employee placement shall be based on (job related) experience approved by the district. Credit will be given for years of experience granted by human resources based on the District's salary placement scale for nonexempt jobs.
 - 2. Current employees may be paid above the placement scale.
 - 3. Salary placement scales are reviewed on an annual basis and salary advancement is not guaranteed.

Promotion Increase

A promotion occurs when an employee is moved to a different job in a higher pay grade.

Salary placement for an employee who is promoted to a job in a pay grade with a higher midpoint will follow the guidelines for placement of a new hire with additional adjustments made as needed to achieve pay equity among peer employees. Employees promoted internally will not be paid less than a new hire with similar experience.

Promoted employees should receive at least a 3 percent salary increase applied to the employee's base daily or hourly rate for the required duty days of the new assignment, less any stipends paid for supplemental duties.

Base pay for teachers includes incentives paid for the teaching assignment, such as advanced degree, certification field, career ladder, etc., only when teachers are being promoted to another certified educator position. Coaching or other extracurricular stipends should not be included in base pay.

Example of promotion from Paraprofessional pay grade 1 to pay grade 2:

<u>New Hire Pay Rate in PG 2</u>		<u>Minimum 3% Increase</u>	
Employee Current Rate	\$10.37	Employee Current Rate	\$10.37
Credited Experience	<u>3 years</u>	3 Percent Increase	x <u>1.03</u>
Calculated Hourly Rate	\$12.00	Employee New Rate	\$10.68
New Hourly rate	\$12.00		

Example of promotion from Paraprofessional pay grade 3 to pay grade 4:

<u>New Hire Pay Rate in PG 4</u>		<u>Minimum 3% Increase</u>	
Employee Current Rate	\$15.59	Employee Current Rate	\$15.59
Credited Experience	<u>7 years</u>	3 Percent Increase	x <u>1.03</u>
Calculated Hourly Rate	\$15.92	Employee New Rate	\$16.06
New Hourly rate	\$16.06		

Reassignments

Pay Adjustments for Reassignment to a Lower Pay Grade

A reassignment to a different job in a lower pay range is considered a demotion and a corresponding reduction in pay may result if approved by the superintendent.

Contract employees – A reduction in pay as a result of a demotion will not be made during the current contract year. Demotions that become effective during the contract term may result in a pay reduction for the following school year provided notice of the reduction is given to the employee before the penalty-free resignation date (i.e., 45 days before the first day of instruction for the next school year). Pay reductions for contract employees are made at the direction of the superintendent and shall follow the same guidelines as pay reductions for noncontract employees.

Noncontract employees – Subject to approval by the superintendent, a reduction in pay for a demotion will be made effective with the new assignment to a lower pay grade. The employee’s base rate of pay (hourly or daily) may be reduced to the same percent of midpoint (rate divided by midpoint) in the lower pay range. Reduction in pay may be capped at no more than 8 percent per pay grade.

Example of position in range reduction to a lower pay grade:

<u>Higher Pay Grade</u>		<u>Lower Pay Grade</u>	
Employee Rate	\$14.50	Midpoint Rate	\$13.60
Midpoint Rate	÷ <u>\$15.87</u>	Percent of Midpoint	x <u>.91</u>
Percent of Midpoint	.91	Employee New Rate	\$12.38

New Hourly Rate \$12.38

Pay adjustments may also be made for a longer or shorter work year associated with the change in duty assignment. In the case of a demotion from a pay range structure to an experience-based placement scale, salary placement will be made according to years of experience.

Review and Adjustment of Pay Ranges

Human resources will review pay structures annually and recommend adjustments as needed to maintain competitive alignment with external job markets and internal alignment of career pathways. Adjustments to pay ranges are made prior to the calculation of pay increases.

If no pay raise is approved by the board, no pay range adjustments will be made. Salary schedules will be adjusted only to update the years of service.

Reinstatement Following Break in Service

An employee who is rehired for the same position following a break-in-service that is less than 12 months shall be reinstated at the same pay rate previously held prior to the break-in-service, or according to the procedures for placement of new hires, whichever is greater.

If rehired at a different pay grade level or rehired following a break in service that is longer than 12 months, the employee’s pay will be placed according to the procedures for placement of new hires.

Pay for Interim Assignments

Employees in interim assignments for more than 10 days, should receive at least a 3 percent increase applied to the employee's base daily or hourly rate or a pay adjustment to the new range minimum for the duration of the assignment, whichever is greater.

Employees with contracts serving in an interim assignment will receive a separate written agreement. This will state that at the conclusion of the additional duty, the additional payment does not continue over the course of the year.

Extracurricular Stipends

The board will approve a schedule of salary stipends for extra duties. Exempt employees who are assigned supplemental duties that accrue extra pay will be compensated according to the district's schedule for extra duty stipends. Stipends and incentives are reviewed and modified periodically.

Nonexempt employees who are assigned supplemental duties will be paid on an hourly basis including overtime compensation when hours exceed 40 in a workweek. The hours worked in supplemental duties must be combined with the hours worked in the regular job assignment for determining the total hours worked each week.

Payment of extra-duty stipends for exempt employees are annualized and paid monthly over the course of the school year. Certain stipends such as UIL and Class Sponsors may be paid as a lump sum (at the end of the semester/school year).

REQUEST FOR JOB CLASSIFICATION REVIEW

Date of Request: _____ Job Title to be Reviewed: _____

Supervisor

Requesting Review: _____ Job Title of Supervisor: _____

Current Pay Grade: _____ Current Work Location: _____

Job classification is based on the requirements of the job and considers these factors:

- ◆ Knowledge Required (education and specialized experience)
- ◆ Effort Required (decision-making, complexity, communication responsibility)
- ◆ Responsibility (scope of job impact, financial accountability, supervisory responsibility)
- ◆ Environmental Factors (exposure to hazardous working conditions)
- ◆ External Job Market Value

Requests should include a copy of the current job description. Use additional pages if needed to answer the following questions.

1. Why do you feel this job is assigned to the wrong pay grade level?

2. What pay grade level do you feel the position should be assigned and why?

3. Has the job changed? What led to the change in job duties and responsibilities?

4. If the job has changed, list the new job duties and responsibilities. How does the job differ from before?

Signature of Supervisor

Date