

Category: 300
Number 335

Subject: **COMPENSATION**

1. PURPOSE: It is the purpose of this policy to establish uniform guidelines and appropriate rules regarding employee compensation to improve the quality of personnel management in the County.
2. AUTHORITY: The Saginaw County Board of Commissioners.
3. APPLICATION: The rules and regulations herein set forth apply to all employees paid by Saginaw County, pursuant to Policy # 301.
4. RESPONSIBILITY: The Administrator/CAO of Saginaw County shall be responsible for the implementation and administration of this policy.
5. DEFINITIONS:
 - 5.1 Pyramiding of overtime is defined as paying for the same hours more than once, which is prohibited.
 - 5.2 Workweek is defined as seven consecutive 24-hour periods from Sunday, 12:00 a.m. through Saturday, 11:59 p.m.
6. POLICY:
 - 6.1 Saginaw County Compensation Philosophy. Saginaw County is committed to:
 - 6.1.1 Providing fair and equitable compensation to employees in a competitive and changing labor market.
 - 6.1.2 Developing a system of paygrades that establishes the minimum and maximum rates that the County will pay individuals within a job class and identify the midpoint of the range as the "market" rate.
 - 6.1.3 Defining the County's market area based on the nature of the job class requirements and the availability of potential candidates locally or state-wide.
 - 6.1.2 Maintaining a competitive pay structure that allows the County to compete successfully for new employees within its market area and takes into consideration the County's fiscal condition and responsible use of public resources.
 - 6.1.3 Ensuring that employee compensation reflects changing economic conditions and technical skills and/or responsibilities.

- 6.1.4 Providing consistent administration of pay policies and procedures among all County departments.
 - 6.1.5 Establishing a compensation structure that allow the County to attract and retain qualified employees.
 - 6.1.6 Developing a salary structure that provides for internal equity and ensures external competitiveness.
 - 6.1.7 Ensuring that the compensation program is understandable to employees, managers, the Board of Commissioners and the public.
- 6.2 Pay Plan. The Pay Plan shall include a schedule of pay ranges consisting of minimum, intermediate, and maximum rates of pay for all classes of positions.
- 6.3 Development of the Pay Plan. The development of the Pay Plan shall be directly linked to the Classification Plan and shall be based on the principle of equal pay for equal work. Pay ranges shall be determined with due regard to such factors as:
- 6.3.1 Uniformity of pay for each class.
 - 6.3.2 The relative difficulty and responsibility of work.
 - 6.3.3 The recruiting experience of the County.
 - 6.3.4 The market rates of pay in both public service and private sector.
 - 6.3.5 The financial condition and policies of the County.
 - 6.3.6 Other pertinent economic considerations.
 - 6.3.7 The SAFE rating system factors which include Training and Ability; Level of Work; Physical Demands; Independence of Actions, Supervision Exercised; Experience Required; Human Relations Skills; Working Conditions/ Hazards; and Impact on End Results.
- 6.4 Adoption. All salaries must be set by the Saginaw County Board of Commissioners.

7. ADMINISTRATIVE PROCEDURES:

- 7.1 Administration and Amendment. The County Administrator/CAO shall be responsible for administering the Pay Plan. He/she shall be responsible for conducting periodic reviews and comparative studies of pertinent factors affecting levels of pay. When appropriate, the Administrator/CAO may recommend to the designated committee of the Board of Commissioners necessary amendments to the Pay Plan. In any case, amendments to the Pay Plan may only be made upon the approval of the Board of Commissioners.

- 7.2 Entrance Salary Rate. The entrance salary rate for a newly hired employee shall be Step 1 of the appropriate pay grade as indicated in the current Pay Plan. If the results of a compensation study are being phased in, an entrance salary rate below Step 1 of the appropriate wage schedule may be established to facilitate the phase in process. In addition, if there are multiple positions with the same job title, an entrance salary rate below the lowest phase in step, may be established to ensure recognition of County employees with greater years of service in that position who are currently at a step lower than Step one in the new pay grade and consistent with the recommendations of the compensation study .
- 7.2.1 A part-time or temporary employee shall be paid on an hourly basis at not more than Step 1 of the classified position to which assigned. A Department Head may pay below Step 1 to facilitate step increases. Any exception to part time or temporary employee pay can be approved by Board of Commissioners and must be based on a compelling reason for the adjustment.
- 7.2.2 If an individual being hired for a position does not meet the minimum qualifications established by the job description for the position, the position will be re-evaluated in Baker Tilly's SAFE scoring system, utilizing the prospective employee's qualifications. This shall only apply to statutorily appointed positions.
- 7.3 Step Increases. Each pay grade on the salary schedules shall consist of Steps and employees shall progress through the steps based on length of service in their jobs (with the exception of placement following a compensation study. The employee would progress on the new pay plan upon their new anniversary date, which is the date they are placed at their new step associated with the Board of Commissioner approved implementation.) If a compensation study is being phased in, additional steps below Step 1 may be established to facilitate the phase in process. Step increases are a means of recognizing satisfactory performance and a Department Head is permitted to withhold a salary increase for a period not to exceed six months during which time the employee will be on probation. The employee will be advised in writing of this action and the reasons for withholding the increase. If the employee does not show the required improvement to warrant removal from probationary status within the six-month period, he/she shall be separated from employment.
- 7.3.1 Progress through the steps shall be based on the time periods indicated on the salary schedule (except in the case of regular part-time employees who must serve twice the time period indicated), unless such time period is adjusted because of the probationary period resulting from a withheld step increase or an approved leave of absence.
- 7.3.2 Part-time and temporary employees shall not be eligible for step increases except as provided in Section 7.2.1 of this policy.

- 7.4 Compensation for countywide elected positions, (Clerk, Prosecutor, Public Works Commissioner, Register of Deeds, Sheriff and Treasurer) shall be set by the County Board of Commissioners. The set compensation shall establish a future separation of not less than 15% between the elected position and the highest pay grade within that office. The separation of compensation between the elected official and the highest pay grade within that office shall be reviewed periodically by the Saginaw County Board of Commissioners. If the highest pay grade within that office exceeds 90% of the salary of the elected official within that office, then the salary of that elected official shall be reviewed by the Saginaw County Board of Commissioners to be adjusted upwards to graduate towards a 15% separation over a five (5) year period of time, at which time a 15% separation will be maintained. The review shall commence January 1, 2023. The adjusted elected official's salary will be 1% each year over the next five (5) years as follows:

Year 1 (2023) - 11%
Year 2 (2024) - 12%
Year 3 (2025) - 13%
Year 4 (2026) - 14%
Year 5 (2027) - 15%

After the 15% separation is achieved, it will be maintained every year thereafter.

- 7.5 Severance Pay. Severance pay is not authorized, unless it has been negotiated in a collective bargaining agreement or employment contract.
- 7.6 Overtime. Upon pre-approval, in writing, and only when budgeted in a department's current year budget, non-exempt Employees of Saginaw County may be scheduled for overtime work and be paid overtime compensation at the rate of time and one-half of regular rates of pay for all hours actually worked in excess of forty hours provided, however, there shall be no pyramiding of overtime. Furthermore, employees who are on authorized PTO, vacation, or personal leave and actually work within the same 24 hour period, shall be credited no more time than a normal scheduled work day or the amount of time actually worked, if more than a normal work day. Elected officials, persons appointed to serve on a policy-making level, and FLSA exempt personnel are generally exempt from overtime pay. Exempt personnel are salaried employees who are expected to meet the demands of the position without overtime compensation.
- 7.6.1 Overtime shall not be authorized by Department Heads unless provided for as a separate line item in the departmental budget. Special projects or other extraordinary circumstances, not foreseen during the budget process, may justify special consideration for overtime authorization, which may be requested from the Administrator.

7.6.2 Regular full-time employees or part-time and temporary employees working or scheduled to work 40 or more hours a week in one department shall not be permitted to work any additional hours in another department unless approved by the Administrator.

7.7 Pay Adjustments. The following personnel actions shall affect the pay status of the affected employee in the following manner:

7.7.1 Transfers. If an employee is transferred into a classification with the same pay rate, the employee's pay rate shall remain unchanged. An employee must actually have worked (1) one full year in his/her current position to be eligible to apply for transfers (meaning those positions of the same classification and hours designated to work), unless waived in special circumstances by the Personnel Division or applicable Elected official.

7.7.2 Promotions. If an employee is promoted to a higher paying position, the employee shall be paid at the lowest step in the new pay grade which is at least five percent (5%) above the salary he was receiving immediately before the promotion. For purposes of this policy, promotion means movement to a different position which has a higher final step in the pay grade than the final step in the pay grade for the position being vacated.

7.7.2.1 Personnel may be employed in a lower grade than authorized on the Personnel Control Number (PCN) Staffing Report. If such an individual is later promoted to the authorized grade, the promotion shall be treated as a reclassification and he shall retain his/her step.

7.7.3 Demotions for Cause or at employee request. If an employee is demoted to a classification with a lower pay grade, for cause, or at the employee's request, the employee shall be paid in accordance with the pay range for the new classification but will retain his/her previous step, including time accrued in previous step.

7.7.4 Transfer to a Lower Paying Position. If an employee is transferred to a lower paying position because of budgetary requirements, reorganization, or to avoid layoff, the employee will be paid at the highest step of the new classification, if the highest step is lower than the employee's salary before the transfer. If the highest step is not lower than the employee's salary before transfer, then the employee will be placed at the step which is nearest to, but not less than, his/her salary before the transfer.

7.7.5 Recall or Return from Layoff. When an employee following layoff is recalled in the same classification and pay rate from which he/she was laid off, he/she shall be placed in the same step that he/she occupied at the time of layoff. However, the employee shall be credited any time accrued prior to layoff for purposes of determining the employee's next merit step increase. If the employee returns to a position in a different classification and pay rate (moves from one pay schedule to a different pay schedule), the employee will be placed at the step in the new pay schedule which is closest to but not less than his/her former compensation rate.

7.7.6 Reclassification of Position. If an employee's position is reclassified the following shall apply (unless part of a group Compensation Study):

7.7.6.1 If an employee's position is reclassified to a higher pay grade he/she shall be paid at the higher pay range retaining the same step.

7.7.6.2 If an employee's position is reclassified to a lower pay grade, the employee's salary shall remain frozen at the current pay rate until such time as the salary rate for the new classification equals or exceeds the employee's current salary pay rate.

7.7.7 Working out of Classification

7.7.7.1 Employees may be directed by the Department Head or Supervisor to perform duties above their classification.

7.7.7.2 Employees who are temporarily requested to perform duties above their classification shall be paid at the lowest merit step in the new pay grade, which is at least 5% above the salary the employee is currently receiving.

7.7.7.3 Employees shall be required to keep a log of their time worked above their classification and submit same to their Department Head or Supervisor. Logs should contain actual time worked, specific tasks performed and employees will be paid at the higher rate of pay accordingly.

7.8 Computation of Step Time. Although time spent on an approved leave of absence or layoff is credited towards continuous length of service, such periods of thirty (30) or more continuous days are not credited towards step increases.

- 7.8.1 Full-time temporary service, when the employee was hired through competitive selection, that immediately precedes the transfer of an employee to a regular position in the same class, shall be credited in determining the employee's position on the salary schedule.
 - 7.8.2 Regular part-time service which immediately precedes the transfer of an employee to regular full-time service in the same class will be credited at one-half (1/2) time regardless of the number of hours actually worked.
 - 7.8.3 Part-time service is not credited.
- 7.9 Former Employee. A former employee who is rehired within one year into the same position they were in at the time they left the County, will be paid at the same step in the salary range as when they left the position. They will also receive credit for any time accrued towards their next step earned prior to their departure date, if applicable. All other benefits will be received as if a new hire. A former employee who is rehired into a different position, shall be paid at Step 1 of the pertinent grade unless the employee is granted previous service in accordance with the Continuous Length of Service Policy (Policy #334).
- 7.10 Pay Periods. Employees shall be paid on a bi-weekly basis.
- 7.11 Longevity Pay. Regular Full-Time Employees hired before March 1, 2005 who have completed five or more years of continuous service as of December 1st of each year shall be entitled to longevity pay. Longevity pay shall be based on length of continuous service as of December 1st of each year and employment status (regular full-time or regular part-time) as of December 1st of each year.

Length of continuous service shall be determined as stated in the Continuous Length of Service Policy. Employment status is defined in the Recruitment, Selection and Appointment Policy. Regular full-time employees shall receive \$70 for each full year of continuous service. Regular Full-Time Employees hired on or after March 1, 2005 are not eligible for nor shall they receive longevity pay. Regular part-time employees, who received longevity pay in 2001, shall receive \$35 for each full year of continuous service, until their employment terminates. Regular part-time employees who did not qualify for longevity pay in 2001 (those that had less than five full years continuous service as of 12/01/01), are not eligible for longevity pay.

7.11.1 A Full-Time employee who retires or dies during the year prior to December 1st shall be entitled to a pro-rata longevity pay for the number of months since the previous December 1st to the date of retirement or death.

8. ADMINISTRATOR/CAO LEGAL COUNSEL REVIEW: The Administrator/CAO has determined that this policy as submitted to the Board of Commissioners contains the necessary substance in order to carry out the purpose of the policy. County Civil Counsel has determined that this policy as submitted contains content that appears to be legal activities of the Saginaw County Board of Commissioners.

Approved as to Substance:
Saginaw County Administrator/CAO

Approved as to Legal Content:
Saginaw County Civil Counsel

ADOPTED: November 23, 1999

AMENDED: April 23, 2002; October 12, 2004; February 22, 2005; August 12, 2008; December 18, 2018; December 17, 2019; December 15, 2020; November 22, 2022; March 18, 2025