

CHAPTER 6 - COMPENSATION ADMINISTRATION

SECTION A GENERAL INFORMATION

The Human Resources Director is responsible for developing, implementing, and maintaining a classification and compensation plan for each position in Kitsap County, based, in part on the principles of public accountability. Only the Board of County Commissioners may approve the compensation assigned to classifications for all positions within elected and appointed departments. This section applies to positions established within the budgets of elected offices and appointed departments.

SECTION B PAY PLAN

1. Kitsap County has a responsibility to be accountable for public funds. By maintaining an equitable pay structure and accurate time records, the County can provide accurate cost information and ensure compliance with state and federal laws and regulations. The Human Resources Department maintains a pay plan for all positions of employment within the County subject to the preliminary approval of the County Administrator and final approval of the Board of County Commissioners. The County recognizes providing adequate compensation through a consistent pay plan attracts and retains qualified employees. Comparisons of salaries with comparable agencies will take into consideration total compensation.
2. The pay plan is comprised of the following two salary structures:
 - a. Exempt from State and Federal overtime laws: Includes Executive, Professional, Administrative and Computer Professional Employees as defined by the Fair Labor Standards Act and the Washington State Minimum Wage Act. Exempt employees shall not accrue overtime or compensatory leave. Partial deductions from an exempt employee's salary for absences of less than one day will generally not be made, provided the employee has worked at least one half of their workday and leaves work with supervisory permission. Due to principles of public accountability, an exempt employee's salary may be reduced or such employee may be placed on leave without pay for absences for personal reasons or because of illness or injury of less than one work-day when accrued leave is not used by an employee because:
 - (i) Permission for its use has not been sought or has been sought and denied;
 - (ii) Accrued leave has been exhausted; or
 - (iii) The employee chooses to use leave without pay.

See Resolution 170-2005 for exempt employee pay when classified as an Emergency Worker in a declared disaster. See Appendix G, Family and Medical Leave Policy for partial day deductions for FMLA absences when exempt employees are intermittent FMLA.

- b. Nonexempt: Includes all other classifications. Nonexempt employees shall have any absence deducted from accrued leave balance for reasons such as sick leave, vacation

leave, bereavement leave, civil leave, military leave, etc. If leave is not available, wages shall be reduced by the amount of the leave without pay.

SECTION C RATES OF PAY

1. Pay Grade: A pay grade identifies a pay range which comprises a series of steps through which employees in classifications assigned to the particular pay grade may progress. (See Chapter 5 on Classification for information regarding the assignment to classifications).

2. Minimum and Maximum Pay Rates: No employee shall be paid at a rate of pay less than the minimum nor more than the maximum amount on the pay grade established for his/her classification as set forth in the pay plan unless otherwise provided for in this Manual (see #12 below--Frozen Pay Rate). Annual pay rates in the pay plan are based upon full-time employment at the normal working hours for the position. Placement at compensation levels, which are not in accordance with this Manual, shall require the written approval of the Board of County Commissioners.

3. Starting Pay Rate Upon Initial Employment: Employees are normally appointed to the minimum step of the pay range in effect for the classification to which the appointment is made. If the Employing Official has determined that it is not possible to hire the most qualified and/or desirable candidate at the entry level step, a salary offer not to exceed Step 6 of the pay grade may be made. Appointment at step 7 or above must be approved in writing by the County Administrator. To prevent importing an unfair wage gap, Employing Officials should compare the salary and experience level of current staff performing similar work to the candidate's current salary and experience level.

4. Starting Pay Upon Promotion: For promotional appointments, the employee's hourly rate for the position into which the employee is promoted shall be at least 2.5% greater than the employee's hourly rate at the formerly held position. If the employee was to receive a step increase within 90 days, that hourly rate shall be considered into the hourly rate for the new position. Appointment upon promotion at Step 7 or above on the pay grade must be approved in writing by the County Administrator if the increase is more than 5%.

5. Pay Rate Upon Transfer: When an employee transfers to a different position with the same pay grade, the employee will maintain their existing step placement and retain their previous step increase date upon transfer. If an employee transfers to a position at a lower pay grade and there is not a corresponding equal pay rate, the employee will be placed on the step closest to, but not below, their current pay rate. If an employee transfers to a lower pay rate and is currently making above step 14 of the new pay rate, the employee will be placed at step 14, even if this results in a decrease. If the transfer results in a pay increase, the step increase date will change to the anniversary date of the effective date of transfer.

6. Pay Rate Upon Reclassification to a Higher Pay Grade: When an employee is reclassified from one classification to another within their department of current employment, the employee's actual salary for the position into which the employee is reclassified shall be greater than the employee's salary at the formerly held position and/or greater than the salary the employee would have been entitled to had the employee retained the formerly held position for ninety (90) additional days. The incumbent will move to step 1 of the new pay scale OR to the step that provides a minimum of 2.5% but is no more than a 5% increase, unless the incumbent is reclassified under Section 15.c. Incumbents reclassified under 15.c will maintain the same step as

the Out-of-Class assignment pay. Such approval is not required when the placement is at step one of the pay range of the new position.

7. Pay Rate Upon Demotion: An employee who is demoted to a lower classification may be paid at any rate assigned to the lower classification as determined by the Employing Official, not to exceed the wage closest to the employee's pay rate prior to the demotion.
8. Pay Rate Upon Recall: An employee who is recalled back to the same department and into the same classification shall be reinstated to the same step in the pay grade as held prior to the break in service.
9. Pay Rate Following Reclassification to a lower classification: If a position is reclassified to a class with a lower pay grade, the employee's rate of pay shall be placed at the step closest to, but not below, the salary before reclassification. If the employee's pay is above the pay grade, the employee's pay rate will be frozen until the pay grade catches up to the employee's pay rate, at which time, the employee will be placed at the step closest to, but not below, their pay rate.
10. Pay Rate Following a Change in Classification Pay Rate (outside of a County-Wide Classification Study): If a classification is assigned to a different pay range, with no change in duties or responsibilities, the employee shall be placed on the step closest to, but not below, their pay rate on the previous pay range.
11. Pay Rate Upon Re-employment: For employees who have been laid off and rehired within twelve (12) months or for employees who are separated within twelve (12) months or less and rehired into the same classification, the employee shall be placed on the step in which the employee left employment.
12. Frozen Pay Rate: Employees whose pay rates are frozen due to exceeding the maximum step of the pay range of their assigned classification do not receive a pay increase until their pay rate is within the pay rate for their classification. They are then placed on the step closest to, but not below, their pay rate.
13. Standby Pay Rate: Employees who are placed on "Standby Status" by the Employing Official or designee for periods up to one week, which requires that the employee be available on a twenty-four (24) hour basis during that period for emergency work and are required to respond by telephone within fifteen (15) minutes to any summons at any time during the twenty-four (24) hour period, shall receive \$15.00 per day.
14. Shift Differential Pay Rate: Regular employees whose positions require them to work shifts shall receive an additional twenty-five (25) cents per hour for each hour worked on swing shift and an additional thirty-five (35) cents per hour for each hour worked on graveyard shift. Shift differential pay shall be paid for each hour of swing or graveyard shifts actually worked or sick leave taken. The Employing Official, or designee, shall designate the hours assigned to swing and graveyard shifts.
15. Pay Rate for Temporary Working Out-of-Class: Temporary Working Out-of-Class Upgrades may be granted when an employee is assigned significant additional responsibilities for a minimum of five (5) consecutive working days. Prior to assigning out-of-class duties, departments must obtain the approval of the Employing Official and the County Administrator. The Employing Official shall submit to the County Administrator, through Human Resources, the information

regarding the out-of-class request on the form as maintained by Human Resources. The County Administrator may require the Human Resources Department to complete a review and submit its recommendation regarding the request by the Employing Official. The Department of Human Resources shall review and approve such requests pursuant to the compensation guidelines established in this chapter.

An employee who performs work in a higher classification, for a period in excess of five (5) working days, may be paid wages of the higher classification pursuant to one of the three (3) following conditions:

- a. At the request of the Employing Official, and as approved by the County Administrator, the employee is temporarily assigned to perform significant additional responsibilities for a designated period of time. Special work projects or unanticipated work demands resulting from legal, programmatic or operational changes are examples wherein a temporary working out-of-class upgrade may be granted.
- b. The employee is temporarily assigned by the Employing Official to perform the full scope of duties principally ascribed to a higher classified budgeted position, which is currently vacant, or the higher classified employee is on extended leave.
- c. The employee has gradually assumed higher level duties and is receiving temporary out of class pay pending Board approval of the next year's budget. See Chapter 5, Section D.

The employee must meet the Minimum Qualifications for the position to which he/she is being assigned. The employee's wages, including leave taken, shall be paid at the out-of-class wage for the duration of the assignment. Non-exempt employees assigned to work out of class in an exempt position will not receive overtime for any hours worked in excess of the regular work week.

The temporary upgrade will be the step on the pay scale of the higher classification that is closest to providing at least a five percent increase, or the minimum step of the salary range for the approved classification, whichever is greater, unless the temporary upgrade falls under 15.c above, in which case the compensation will follow reclassification guidelines. Once the temporary assignment is completed, the out of class pay will cease. Employees receiving out-of-class wages for an overtime exempt level position will be treated as exempt from overtime for all hours worked in the exempt level position. Employees in a represented position assigned to work out-of-class in a non-represented position will still be considered part of the bargaining unit and eligible to continue to pay union dues for their regular represented position.

SECTION D ADVANCEMENT WITHIN A PAY GRADE

If the employee's current pay rate is below the mid-point (Step 7) of the new pay grade, the employee will receive a two (2) step increase (5%), effective on the employee's anniversary date in the position or the anniversary date of their last step increase, whichever is later. If the employee's current pay rate is at step 7 or above, the employee will receive a one (1) step increase (2.5%), effective on the employee's anniversary date in the position or the anniversary date of their last step increase, whichever is later. Step increases for all employees in a regularly budgeted position will be received annually until the top step is reached, provided the employee achieves the minimum performance score on their evaluation that entitles them to the step increase pursuant to the County evaluation system:

<u>Step</u>	<u>Required Score</u>
2 - 6	3.0
7 - 11	3.5
12 - 14	4.0

Effective January 1, 2017, part-time employees hired prior to January 1, 2017, will be eligible for a step increase after reaching 2080 compensated hours since their date in position or last step increase date. The date that they reach 2080 hours will become the anniversary date for their next step increase and they will then be eligible to receive annual step increases as stated above.

All part-time employees hired on or after January 1, 2017 will be eligible for annual step increases effective on the employee's anniversary date in the position. Part time employees no longer have to work 2080 hours to be eligible. Part time employees will be eligible to receive a step annually.

ADJUSTMENT TO STEP INCREMENT DATE

1. Upon promotion, reclassification, voluntary demotion, or transfer which results in a pay increase, the step increment date shall be changed based on the effective date of such action.
2. The step increment date shall be adjusted when an employee returns from leave without pay in excess of thirty (30) calendar days to reflect the period of unpaid leave.

SECTION E LONGEVITY BONUS

1. PERS I employees hired before January 1, 1985. Upon completion of the following years of employment, employer shall pay eligible employees an annual longevity bonus on the 2nd pay period of the anniversary month of employment effective January 1, 1997. The longevity amount is paid based on the employee continuous service date.

Completed five years of employment	\$200.00
Completed ten years of employment	\$280.00
Completed fifteen years of employment	\$400.00
Completed twenty years of employment	\$500.00
Completed twenty-five years of employment	\$680.00

2. PERS I employees hired on or after January 1, 1985 and prior to January 1, 1998, and PERS II Employees hired prior to January 1, 1998: Upon completion of the following years of employment, employer shall pay eligible employees an annual longevity bonus, on the 2nd pay period of the anniversary month of employment. The longevity amount is paid based on the employee's continuous service date and is paid out based on the salary at the time of payment.

After 5 thru 9 years' service	1.5% of annual salary
After 10 thru 14 years' service	2% of annual salary
After 15 thru 19 years' service	2.5% of annual salary
20+ years' service	3% of annual salary

Employees who were receiving a higher longevity rate than that prescribed above shall continue at their current rate. Provided, affected employees shall not receive any further increase unless such increases are provided in accordance with the above guidelines.

3. Employees hired on or after January 1, 1998, and prior to January 1, 2013: Upon completion of the following years of employment, Employer shall pay eligible employees an annual longevity bonus on the 2nd pay period of the anniversary month of employment. The longevity amount is paid based on the employee's continuous service date and is paid out based on the salary at the time of payment.

After 5 thru 9 years' service	1.0% of annual salary
After 10 thru 14 years' service	1.5% of annual salary
After 15 thru 19 years' service	2.0% of annual salary
20+ years' service	2.5% of annual salary

4. In the event that an eligible employee terminates employment for any reason, the employee shall receive a longevity bonus in a prorated amount, which is computed as follows: the number of months between the employee's anniversary date and termination date shall be divided by twelve, and the result multiplied with the appropriate annual longevity bonus. Any month must be considered a full calendar month of employment in order to receive longevity credit for that month.
5. The longevity bonus shall be based upon continuous employment, exclusive of those periods wherein an employee is placed upon a leave without pay status. Provided, when an employee is laid off and rehired, and the separation does not exceed twelve (12) months, the longevity bonus shall be computed from the initial employment date excluding the lay-off period; Provided further, when an employee separates from employment and is subsequently rehired, the longevity bonus shall be computed from the date of reemployment; Except, the longevity bonus shall be computed from the date of initial employment, if the period of separation does not exceed twelve (12) calendar months.
6. Employees hired on or after January 1, 2013 shall not receive a longevity bonus.

SECTION F COMPENSATION FOR TRAVEL AND TRAINING

1. Travel Time Compensation - Nonexempt Employees: The following explains which hours compensable and which hours are not when traveling for County business purposes:
 - a. Normal commute time to and from work is not compensable.
 - b. Travel during regular work hours
 - i. Travel between job sites is compensable time.
 - ii. Travel from remote job site to regular job site is compensable time.
 - iii. Out of town travel is compensable.

- iv. Authorized travel time outside of regular work hours and/or on non-work day is compensable.
2. Compensable Time for Training: Computation of work time for nonexempt employees while attending training or traveling to and from training shall be in compliance with the Fair Labor Standards Act (FLSA). Time spent in training is usually considered work time. Training which is mandated by the state or federal government as a condition of practice in the profession shall not be considered work time if attended outside of regular work hours. Time spent studying for training classes shall not be considered work time. Employees whose positions are exempt from the FLSA shall be compensated for all time in training during normal work hours (e.g. 8:00 am to 4:30 pm).
3. Reimbursement of expenses incurred by employees for lodging, meals, and travel will be made in accordance with [Appendix K](#).

SECTION G OVERTIME – NON-EXEMPT EMPLOYEES

1. Overtime and Compensatory Time: Nonexempt employees performing work in excess of eight (8) hours in a day or in excess of forty (40) hours in one work week shall be paid overtime at the rate of one and one half times the employee's regular rate of pay; Except, that an employee may request compensatory time off at the rate of one and one half hours off for each hour of overtime earned in lieu of overtime pay if the compensatory time is used within ninety (90) days of the date it is earned. An employee cannot accrue more than forty (40) hours of compensatory time. If the compensatory time is not used within ninety (90) days or exceeds forty (40) hours, the employee will be paid overtime at the rate when it was earned. Overtime compensation is earned on hours actually worked. Sick leave, annual leave, compensatory time off, and any other compensable absence are not included in the calculation of the overtime thresholds of 8 hours per day or in excess 40 hours per week.
2. Authorization of Overtime: Before an employee works overtime the overtime hours to be worked must be authorized in advance by the Employing Official.
3. Agreement Prior to Performance of Work: Compensatory time may be used in lieu of overtime compensation only if such an agreement or understanding has been arrived at between the Employing Official and the individual employee before the performance of work.
4. Overtime Hours Worked on Holidays and Sundays: Hours worked on holidays and Sundays will only be overtime if it results in an excess of 40 hours actually worked in the work week. Nonexempt employees shall be paid overtime compensation at the rate of twice the regular rate of pay; except, that an employee may choose to receive compensatory time off at the rate of two hours off for each hour of overtime earned in lieu of overtime pay. Compensatory time earned under this section must be used within ninety (90) days of the date it is earned. This section does not apply to non-exempt employees scheduled to work shifts in seven day a week, twenty-four hours per day operations/divisions. See #1 for explanation of calculation of overtime.
5. Computation of Overtime: For the purpose of computing overtime compensation, fractional parts of an hour shall be rounded to the nearest fifteen (15) minute increment.

6. Compensable and Non-Compensable Working Time: Questions regarding compensable and non-compensable time should be referred to the Human Resources Department.

SECTION H OVERTIME – EXEMPT EMPLOYEES

1. Overtime exempt employees shall not be eligible for overtime pay or compensable time (comp time) accruals.
2. Overtime exempt employees are compensated on a salary basis for all hours worked and shall not be charged for absences involving time off that is less than a scheduled full work day. Provided, employees work at least one-half of their scheduled work day and the employee has obtained the approval of their Employing Official (or designee).
3. It is expected that full time, overtime exempt work schedules will normally consist of approximately 40 hours per week; however, emphasis is placed on meeting the responsibilities assigned to the position rather than on working specific number of hours. The nature of responsibilities associated with overtime exempt positions often requires greater than a 40-hour work week including evening and weekend work and considerable flexibility in work scheduling to accommodate meetings and functions on weekends and evenings.
4. Overtime exempt employees are required to fill out time records to account for daily attendance and to support required federal, state or other grant or contract requirements or when such reporting is required to support fees or charges for county services or to document project or program expenditures. The normal workday is defined in terms of hours that the exempt employee is generally expected to be at work. Time away from the exempt employee's normal workday, as determined by the supervisor, is tracked to the appropriate leave accrual and is to be reported in no less than half-day increments.
5. Although their work hours are not tracked, overtime exempt employees may be granted flexible and compressed work week schedules as appropriate to complete their duties and responsibilities. Granting flexible work schedules does not alter the overtime exempt status, nor does it alter the expectation that work may be assigned beyond scheduled work hours.