

Effective: April 1, 2024
Replaces: HR Rules 401 and 402

POLICY-HR-3520

Classification and Compensation

Approved by:

Emily Bergkamp
57818902E02D402...

Emily Bergkamp, General Manager

Approved by:

Heather Stafford Smith
20D9A43334D8426...

Heather Stafford Smith, Administrative Services Director

Written by: Alana Neal, HR Deputy Director

1 Introduction

Intercity Transit is committed to a classification and compensation structure that is competitive, fair and equitable, and will continue to attract and retain a high-quality workforce. Human Resources maintains the Classification and Compensation Plan which provides a structure of job responsibilities, job descriptions, and compensation for all permanent positions. Human Resources evaluates and assigns each classification an overtime exempt or non-exempt status according to the Fair Labor Standards Act. It is Intercity Transit's goal to fairly compensate employees for assigned work and provide both flexibility and consistency in salary decisions. This policy ensures agency-wide consistency in determining compensation for non-represented Intercity Transit employees. For additional information, please consult POLICY – HR 3517. Specific Collective Bargaining Agreements (CBA) should be consulted for represented employees.

The Classification and Compensation Plan will consider a variety of factors to include:

- Appropriate cost-of-living and/or market adjustments;
- Internal consistency and alignment;
- Equity between positions that have substantially similar duties, responsibilities, job requirements, and conditions of work;
- Required scope and skills, as well as wage and salary data of comparable external positions;
- Analysis of positions that require essential job skills and experience that are unique and may impact Intercity Transit's ability to recruit and retain qualified candidates.

2. Position Descriptions

Accurate position descriptions are an essential element of the Classification and Compensation system. Position descriptions are approved and maintained by Human Resources. While they should be representative of the general work performed by specific classifications, the tasks described in position descriptions are not exhaustive. Employees

are responsible for fulfilling tasks assigned by their supervisor and may not refuse work because it is not explicitly included in their position description.

3. Establishment of New Positions

Intercity Transit's Classification and Compensation Plan is reviewed regularly and any revisions to the Plan must be approved by the General Manager and Intercity Transit Authority. Typically, the Agency seeks approval for updating the Plan at the same time the ITA approves the budget for the following year and if necessary, will request a mid-year adjustment based on business needs.

Due to an identified business need, a department director may request an adjustment to the Plan, such as to establish a new position or reclassify an existing position. To initiate such a request the department director will complete the **Staffing Request form**, in consultation with Human Resources. Adjustments will not be made to the Plan until the request has been vetted by Human Resources, Finance, and the General Manager.

4. Reclassification

Positions that have changed substantially may require a classification review. Substantial changes may include the permanent assignment of new or more complex job duties, a change in the required skills or knowledge to complete assigned tasks, and/or a change in the level of supervision received or exercised.

A department director or an individual employee may request the HR Deputy Director or Administrative Services Director to conduct an evaluation of an existing position. The following elements apply to classification review requests:

- A review of the position will focus on assigned tasks and responsibilities; job performance and longevity are not considered.
- The position review will consider several factors to include the nature, variety, and complexity of the work assigned; the responsibility for staff and resources; the knowledge and skills required to complete work; and the authority and relative autonomy of the position. A wider scope of influence and changes to the organizational structure will also be considered.

Upon completion of the review, if the HR Deputy Director or Administrative Services Director determines that a reclassification is appropriate, they will update the job description and make a recommendation to the General Manager for approval. In addition, the department director will initiate the Staffing Request form as described in Section 3.

5. Effects of Reclassification with Pay Grade Change

If a pay grade change is made as part of a position reclassification, the current incumbent will be placed into the assigned pay range and their rate of pay will be set as outlined in Section 8 or 10, depending on whether the new pay range is higher or lower than previously assigned. If the employee does not meet the position's requirements, the HR Deputy Director or Administrative Services Director will work with the Department Director and

General Manager to determine the appropriate placement and/or reassignment of the employee. If there are no vacant FTE's available for reassignment, the employee will be separated by following layoff procedures.

6. Salary Setting

Intercity Transit's Classification and Compensation plan includes salary and wage tables for each classification. Compensation for the General Manager will be determined by the Intercity Transit Authority (ITA).

- A. Each position classification is assigned a salary scale and range or an hourly wage rate and range based on an objective job evaluation system, such as the Decision Band Method, administered by the Human Resources Division.
- B. Employees will be compensated within the limits of their position's assigned pay range according to the compensation plan.
- C. Full-time employees work forty hours each week, or two thousand eighty (2080) hours each year.
- D. Part-time employees are compensated proportionate to the number of hours worked and the assigned position pay range.
- E. Compensation for temporary employees that are hired without an established Intercity Transit classification will be determined by Human Resources, Department Director, and General Manager.

7. New Employees

Intercity Transit recognizes the value of attracting and retaining a highly skilled workforce.

When setting the salary for a promoted Intercity Transit employee or a new employee, Human Resources, in consultation with the hiring manager, Department Director will consider a variety of factors:

- A. The employee's education and/or work experience in relation to the position's essential job requirements;
- B. The employee's relevant knowledge, skills, and abilities;
- C. Recruitment and/or retention issues;
- D. Internal equity and salary alignment;
- E. Other relevant business factors;
- F. Entry level employees will typically be compensated at the starting step within the assigned salary range.

Human Resources may offer a new employee up to Step 7 in the position's assigned salary range. The General Manager must approve any step placement higher than Step 7. For additional benefits that may be available for a new employee, please see POLICY-HR-3517, *Recruitment and Selection*.

8. Promotions

A promotion is defined as acceptance of a position that is compensated at a higher salary range in the compensation plan. When an employee accepts a position in a different pay scale (i.e., a represented

employee is promoted to a position that is not represented), it is considered a promotion if the new pay range has a higher top step. In most cases a promoted employee, including for reclassification purposes, will be placed into the step in the new salary range that represents at least a 5% increase. However, with the General Manager's approval, the salary may be set to a higher step within the salary range in consideration of the following factors:

- A. The employee's education and/or work experience in relation to the position's essential job requirements;
- B. The employee's relevant knowledge, skills, and abilities;
- C. Recruitment and/or retention issues;
- D. Internal equity and salary alignment;
- E. Other relevant business factors;

If a promoted employee believes they should be placed at a higher step than they were offered, they must contact the Deputy HR Director or the Administrative Services Director who will conduct an analysis of relevant qualifications, experience, and other applicable factors. After the analysis, they will make a recommendation to the Department Director and General Manager for their approval.

9. Transfer

A transfer is defined as acceptance of a position that is compensated at the same salary range in the compensation plan. When an employee accepts a position in a different pay scale (i.e., a represented employee transfers to a position that is not represented), it is considered a transfer when the new pay range has the same top step. An employee who accepts a transfer to a position with the same salary range will normally retain their base salary. However, if the employee is not at the top step of the new salary range, with the General Manager's approval, the salary may be set to a higher step within the salary range in consideration of the following factors:

- A. The employee's education and/or work experience in relation to the position's essential job requirements;
- B. The employee's relevant knowledge, skills, and abilities;
- C. Recruitment and/or retention issues;
- D. Internal equity and salary alignment;
- E. Other relevant business factors;

10. Demotion

A demotion is defined as placement into a position with a lower salary range in the compensation plan. It is considered a demotion when the new pay range has a lower top step. An employee that accepts a demotion or demoted due to discipline or reclassification, will retain their current hourly rate only if it is within the range of the new position. The employee's hourly rate will not exceed the top step of the range of the new position.

11. Out-of-Class Pay

Out-of-Class pay is used when a department director, in consultation with Human Resources, temporarily assigns an employee a higher level or more complex duties. The scope of work does not

need to fall into an existing classification description. The director determines the employee selected for the higher-level task assignment; it is not done through a competitive process. An employee may receive out-of-class pay up to 5% with the General Manager's approval.

12. Interim Assignments

When an employee is assigned to perform the full scope of work in a higher classification, usually after a competitive recruitment, they will be placed in the new classification on an interim basis and their compensation will be set in the pay range of the interim position according to Section 8; however, they will not be eligible for an additional increase if later selected for the permanent position.

13. Standby Pay

Overtime eligible (non-exempt) employees are eligible for standby pay when they are required by Intercity Transit to be immediately reachable, and available to respond to work-related needs. To be available, employees must restrict their off-duty activities. For example, employees assigned to a standby period, may not consume alcohol, be under the influence of other mind-altering substances, or travel a distance that would prevent them from meeting response time requirements. Employees will receive an hourly rate equivalent to 7% of the hourly top step of their salary range for Standby Pay; this rate will be determined by Human Resources and adjusted based on the changes to the applicable salary range. Hourly Standby Pay will be before and/or after shift for off duty availability, or on other scheduled days off, for off-duty availability. Employees that are assigned to be on Standby may be assigned an agency vehicle if their supervisor determines there is a reasonable expectation that the employee will be called back to the worksite, or if driving the vehicle would improve their ability to meet response requirements. Employees who use their own vehicles while responding to on-call shall be reimbursed at the prevailing IRS mileage rate for all miles driven on such business.

Standby pay will be paid in the following circumstances:

1. The employee is notified by their supervisor at least seven days before the beginning of the Standby period. In emergency situations (such as short-notice weather events) employees may be provided with significantly less notice.
2. The employee responded to the agency's phone call or other established communication method within 15 minutes.

Note: Facilities employees must be able to return to the worksite within 45 minutes of receiving notification.

Employees assigned to a Standby period may participate in personal activities, provided they can meet the availability and response requirements of their workgroup, as determined by the department director.

Employees assigned to Standby who fail to meet conduct or response standards will be subject to disciplinary action, up to and including termination.

14. Call Back Pay

Overtime eligible (non-exempt) employees may be called back to duty after or before their normal regularly assigned shift. In some cases, an employee may be eligible for call back pay while also receiving the Standby Pay.

If an overtime eligible employee is called back to the worksite or required to perform work remotely after the end of their shift or before the beginning of their shift, they may be eligible for overtime. If the employee is required to physically come to the worksite, they will be compensated for a minimum of two hours. However, employees who respond to phone calls that can be resolved from home will receive pay for actual time worked from the beginning of the phone call/dispatch/request and will be compensated in 30-minute increments.

15. Scheduled General Wage Increases (GWI) and Step Increases

Intercity Transit employees are eligible to receive general wage adjustments as approved in, and within the parameters established in the annual operating budget, as adopted by the Intercity Transit Authority.

In addition, non-represented employees are eligible for up to a two-step increase each July 1st or until the employee reaches the top step. Employees who are in their introductory period at the time of the step increase on July 1 are still eligible for the increase. However, non-permanent employees may not be eligible for an increase and will be evaluated on a case-by-case basis. Increases for the General Manager are governed by their employment contract with the Authority Board.

16. Equity Alignment

A Director may request that the Deputy HR Director or Administrative Services Director conduct a review of staff compensation in a specific division or workgroup to determine if employee compensation within their assigned range is equitable. In such cases, the Deputy HR Director or Administrative Services Director will conduct an analysis and make a recommendation to the General Manager for final approval.

Appendix:

1. Staffing Request form