

Policy number: IV-3	Subject: COMPENSATION
	Revision: two
Approved: Agency Board: June 28, 2006	
Policy Council: May 17, 2006	

Objective:

To describe methods for establishing salaries and determining salary adjustments, maintaining equitable levels among program positions.

Policy:

All employees shall earn at least the Federal minimum wage. In setting salaries, the Agency shall attempt to ensure that relative salary levels relate to relative levels of job size (job content), determined by job classification. To the extent funds are available, salaries should also match salaries being paid for comparable work in the local labor market.

When funds are made available for general cost-of-living salary adjustments, employees are given such salary increases unless specifically declined by the employee. To the extent that other funds are made available for salary increases, such increases shall be largely determined by the relative merit and efficiency of employees as documented in the performance review process and are related to education, education effort, licensing, longevity, and wage comparability.

Procedure:

- A. All changes in salary must be approved by the Program Administrator and documented with an Appointment and Employment Status form or similar computer form in the official file. The salary of the Program Administrator requires Board approval. Some Head Start employees are paid in equal payment amounts throughout the year, allowing payments during the summer. The agency will decline to make "equal pay" payments if employees do not have sick leave or annual leave balances available to cover any possible shortage of hours to cover the anticipated payment calculation. All salary amounts are based on hourly rate values, and no status is attributed to "salary" or equal payments. Certain employees are "exempt" from over time requirements as described by the Fair Wage and Hour guidelines and may be termed salaried as a contrast to non-exempt employees who must earn time and a half compensation for over time.
- B. New employees generally are hired at the minimum rate assigned to their job. The Agency utilizes a formula scale that provides additional compensation based on merit education and pertinent job related experience. Employees shall be paid at a rate no lower than the Federal Minimum Wage.
- C. Wage and salary surveys are conducted yearly among area companies or LEA's in Regional Wage Comparability Studies. The data obtained from these surveys and the job evaluations forms the basis for the salary grades and steps.
- D. If funding is available, salary increases are given at the beginning of the program year in conjunction with a satisfactory performance appraisal. Requests for salary increases will not be processed until a satisfactory evaluation is on file. The

Program Administrator's salary increase will be established by the Executive Committee or full Board.

- E. All salary advancements shall correspond with the steps of the approved salary range. No employee shall have his/her salary increased to a point above the maximum of the salary range applicable to the class of his/her position without Board approval.
- F. The agency recognizes the value of retaining experienced and dedicated employees, and longevity pay is calculated into salary computations based on years of service.
- G. The agency will adhere to all mandatory payroll deductions as required by state and federal laws.