

MONTANA PUBLIC EMPLOYEES' RETIREMENT BOARD

TITLE: Non-Union Pay Plan

POLICY NO: BOARD Prsnl 04 EFFECTIVE DATE: 05/10/2012

I. POLICY AND OBJECTIVE

Article VIII, section 15(b), of the Constitution of the State of Montana delegates to the Public Employees' Retirement Board (Board) the fiduciary responsibility to administer the various retirement systems the Board governs. The Board's constitutionally-imposed responsibility includes setting compensation for supervisory- and management-level staff and other non-union staff at a rate that will attract and retain experienced and competent employees. Accordingly, this policy's objective is to provide a structure for that compensation in a way that takes into account not only staff's competencies and accomplishments but also nationwide public pension plan target factors to the extent reasonably available.

II. APPLICABILITY

This policy applies to MPERA positions that are not covered by the negotiated agreement between the Board and the Montana Public Employees Association.

III. PAY PLAN

- A. Pay Ranges. The pay ranges are derived from the McLagan 2006 Core salary survey, reduced 15%, for those positions covered by that salary survey. For those positions not covered by the McLagan 2006 Core salary survey, the pay ranges are derived from the 2006 State Personnel Department's salary survey. Base pay for lead workers, as identified by the Executive Director, will be four percent above target for their occupation. The pay ranges for other positions are based on the 2006 State Personnel Department's salary survey without alteration. The following pay ranges will be used for the July 1, 2011 – June 30, 2013 biennium:

Band	Title	Minimum	Midpoint (Target)	Maximum
8	Executive Director	\$92,412	\$115,515	\$138,618
8	Chief Legal Counsel	69,700	87,125	104,550
7	Legal Counsel	56,235	70,295	84,354
7	Fiscal Services Bureau Chief	60,928	76,160	91,392
7	Member Services Bureau Chief	56,372	70,465	84,558
7	Information Systems Manager	70,040	87,550	105,060
7	Internal Auditor	40,622	50,778	60,934
7	Computer Supervisor	57,453	71,816	86,178
6	Program Manager (2)	41,223	51,529	61,835
6	Project Facilitation Specialist (3)	42,518	53,148	63,777
5	Accountant (2)	33,440	41,800	50,160
4	Executive Assistant	31,200	39,000	46,800

- B. Compensation adjustments. Employees may progress to target pay and beyond according to the occupational pay band contained under Section III(A) provided they are not under corrective action.

<i>Seniority Progression within the Occupational Pay Band</i>	
Employee Category	<i>Target Pay Rate</i>
0 to 12 months of service in current position	<i>80 – 85% of target</i>
More than 1 to 2 years of service in current position	<i>90% of target</i>
More than 2 years to 5 years in current position	<i>95% of target</i>
More than 5 years to 8 years in current position	<i>100% of target</i>
<i>More than 8 years in current position</i>	<i>105% of target</i>

- C. Hiring rates. Employees new to state government will typically be hired at 80 percent of target for the occupation. In determining a new employee's hiring rate above 80 percent, the Board or the Executive Director, or a designee, shall consider criteria such as: the employee's job-related qualifications and competencies; existing salary relationships within the job class, band and work unit; MPERA's ability to pay; and the competitive labor market.

- D. Training assignments. The Executive Director or designee may establish written training assignments to enable an employee to gain the additional experience and training required for the job. In these cases, the Executive Director or designee may set the employee's base pay rate below the occupational pay band minimum set in section III(A) for a period of time not to exceed two years. At the completion of the training assignment, the employee's pay will be set no less than the entry rate of pay for the occupational pay band.
- E. Promotions:
1. Promotions into positions in a higher pay band. A promoted employee will receive at least a 10 percent pay increase or move to the entry of the higher pay band, whichever is greater. The Board or the Executive Director, or their designee, may pay an amount higher than entry if determined appropriate after considering criteria such as: the employee's job-related qualifications and competencies; existing salary relationships within the job class, pay band and work unit; MPERA's ability to pay; the length of time the employee has worked at MPERA; and the competitive labor market.
 2. Promotions into positions in the same pay band. Employees who temporarily or permanently promote to a position in the same pay band but with a higher market rate may maintain the target pay rate of their previous position.
- F. Demotions. In the situation where an employee is demoted to a position in a lower pay band, if the maximum salary of the newly-assigned band is lower than the employee's current base salary, the Executive Director will allow the employee's pay rate to be protected up to a period of 180 calendar days. After the 180-day period, the Executive Director shall set the employee's salary at a rate based on the employee's satisfactory performance, skills and competencies as documented through MPERA's established evaluation processes.
- G. Wage Adjustments. The Board at its discretion may utilize the wage adjustment components described in section IIIB of the April 5, 2011, State Personnel broadband pay plan policy.

IV. CROSS REFERENCES

The following laws, rules or policies may contain provisions that apply to this policy. The list should not be considered exhaustive – others may also apply.

Montana Constitution Article VIII, Section 15

Title 2, Chapter 18, MCA

Section 19-2-404, MCA

Montana Operations Manual – Broadband Pay Plan Policy (#03-0501), last revised April 5, 2011

V. HISTORY

Originally approved September 2007

Amended August 2009

Amended May 2012