

75-5551**Chapter 75.--STATE DEPARTMENTS; PUBLIC OFFICERS AND EMPLOYEES****Article 55.--PAYROLL ACCOUNTING FOR STATE AGENCIES**

75-5551. Compensation program for state employees; philosophy statements. (a) The compensation program (compensation and benefits opportunity and delivery) for state employees will be designed to support the mission of the various branches of government and the agencies and departments within those branches. The foundation of the compensation program is to attract and retain quality employees with competitive compensation based on relevant labor markets. The programs will be based upon principles of fairness and equity and will be administered with sound fiscal discipline.

(b) The compensation philosophy component statements are:

(1) The legislature will be accountable for the adoption of the compensation philosophy and framework. The executive branch through delegated authority from the governor to the department of administration will be accountable for the consistent administration of the program for classified employees. Agency heads will be accountable for proper administration of the program within their agencies. The chief justice, through delegated authority to the office of judicial administration will be accountable for the consistent administration of the program for judicial branch employees. The state board of regents, through delegated authority to the chief executive officer of each campus, will be accountable for the consistent administration of the program for higher education faculty and non-classified employees. The respective appointing authorities will have accountability for the consistent administration of compensation for non-classified employees.

(2) The compensation program will be based on consistent principles of fairness throughout the state, yet will be flexible to meet changing needs. This will allow for multiple pay plans to fit different needs and market variables for the different branches of government and within those branches.

(3) Establishing the value of compensation will be primarily based on establishing the appropriate market value of the job. For positions for which a market value cannot be readily identified, the value of compensation for those positions will be based on a fair, defensible and understandable method.

(4) While recognizing that service and tenure yields valued experience, pay delivery mechanisms will be based on a combination of achievement of performance objectives, recognition of differences in job content, acquisition and application of further skill and education and pay for the achievement of team/unit or department goals.

(5) All aspects of compensation (base salary, benefits, lump sum payments, allowances and other variable elements of compensation) will be considered as a total compensation package for state employees. The state's pay programs will utilize both fixed and variable compensation as well as non-cash reward and recognition programs.

(6) Total compensation, as defined above, will be targeted at a competitive level when compared to the appropriate labor markets to allow the state to attract and retain the quality and quantity of employees needed to fulfill service commitments to its citizens.

(7) The state is committed to ensuring that its salary structures are up to date through the conduct of market surveys at regular intervals. There will be a planned approach to ensure that the classification structure and classification of employees is kept current.

(8) The compensation programs will reinforce a work culture and climate where employees are recognized and rewarded for their contribution. Any changes to compensation must be reasonable and take into consideration the needs of the state as an employer, the work culture afforded to the employees as public service providers and the citizens receiving services from the state.

(9) It is the intent of the legislature that longevity bonus payments shall not be considered as part of base pay.

History: L. 2008, ch. 159, § 10; May 22.