



## STATE OF WYOMING

### STATEMENT OF COMPENSATION PHILOSOPHY FOR EXECUTIVE BRANCH EMPLOYEES

#### **Umbrella Statement**

The compensation program for Executive Branch employees shall be designed to support the mission of the State and the agencies within the Executive Branch. The foundation of the compensation program is the legislatively adopted compensation philosophy which is intended to attract and retain quality employees with competitive compensation based on relevant labor markets. The compensation program and its component plans shall be based upon principles of fairness and equity and shall be administered with sound fiscal discipline. The compensation program and its component plans shall reinforce a productive work climate, a culture of accountability and encourage employees to achieve their career potential with the State.

#### **Component Statements**

- 1) The responsibilities for developing and implementing the compensation program are as follows:
  - a. The Legislature is responsible for the adoption of the State's compensation philosophy and the provision of funding for the compensation program.
  - b. The Department of Administration and Information with the oversight of the Governor is accountable for the development and consistent administration of the compensation program and its component plans for the Executive Branch.
  - c. Agency heads are accountable for proper administration of the compensation program and its component plans within their agencies.
- 2) The compensation program and its component plans shall be based on consistent principles of fairness throughout the State yet will be flexible to meet changing needs. There shall be one statewide compensation policy with multiple pay plans to address different job specialties. Agency heads will have flexibility to utilize compensation as a means to have the best employees in the appropriate roles to meet their business and human resources needs.

- 3) Establishing the value of compensation shall be based both on principles of internal equity as measured by a defensible method of job evaluation and external value as measured by competitive compensation in the relevant market.
- 4) All aspects of compensation (base salary, benefits, allowances and incentives) shall be considered as a total compensation package for State employees. The State's pay programs shall allow both fixed and variable compensation as well as non-cash reward and recognition programs.
- 5) Total compensation, as defined above, shall 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 its service commitments to its citizens.
- 6) Pay delivery mechanisms shall be based on a combination of establishing and maintaining relativity to market, achievement of performance objectives, recognition of differences in job content and the acquisition and application of further knowledge, skills and abilities.
- 7) The State is committed to ensuring that its salary structures and rates of pay are up to date. To accomplish this, the Department of Administration and Information shall conduct market surveys at regular intervals. There shall be a planned approach to ensure that the classification of employees and allocation to grades based on principles of job evaluation is kept current.
- 8) The compensation program and its component plans shall reinforce a work culture and climate where employees are recognized and rewarded competitively as compared to market for achievement of their expected level of contribution. Any changes to compensation must be reasonable and take into consideration both the needs of the State as an employer and the citizens receiving services from the State.

## **VISION**

To provide all state agencies with one consistent comprehensive compensation policy to recruit, retain, and reward state employees.

## **MISSION**

To apply and maintain policies and procedures that provide internal alignment and incorporates market based data into pay ranges while establishing consistent and equitable base pay and non-base pay actions that will be consistently applied for all state employees.

**9-2-1022. Duties of department performed through human resources division.**

(a) Subject to subsection (b) of this section, the department through the human resources division shall:

(i) Establish and administer a personnel classification schedule covering all agency employees, classifying positions into categories determined by similarity of duties, authority, responsibilities and other relevant factors of employment;

(ii) Establish and administer a consistent, equitable and flexible compensation plan covering all agency employees;

(iii) Supervise employer-employee benefit plans not otherwise provided for by law;

(iv) Maintain an information roster on each employee of the state specifying employee name, employing agency, position classification, rate of compensation, job title, position description and service tenure. The information shall be available for inspection only as provided by the Public Records Act;

(v) Maintain a register of applications made by all persons seeking employment with an agency. Each application shall be rated on the basis of suitability and qualifications without regard to political affiliation, race, color, sex, creed or age;

(vi) Initiate and administer recruitment programs designed to attract a sufficient quantity of suitable and qualified employees to the service of the state as needed to fulfill service commitments to its citizens;

(vii) Approve all in-service or staff development programs available through agencies or sponsored by the department;

(viii) Approve all agencies' changes related to personnel with respect to compensation, position classification, transfers, job titles, position specifications and leave time;

(ix) Subject to subsection (g) of this section, establish personnel standards governing employee leave time, hours of work, attendance, grievances and terminations;

(x) With the cooperation and assistance of the division of economic analysis, collect and maintain statistical information related to personnel administration from agencies;

(xi) Promulgate reasonable rules:

(A) Which are necessary to administer the classification plan and the compensation plan;

(B) Governing minimum hours of work, attendance regulations, leaves of absence for employees, vacations and the order and manner in which layoffs shall be made;

(C) Concerning recruiting, transfers, discipline, grievances and appeals;

(D) Necessary to administer a program whereby employees may share positions as set forth in subsection (f) of this section;

(E) Repealed By Laws 2009, Ch. 129, 2.

(F) Necessary to administer a program whereby at-will contract employees may be utilized by agencies to meet programmatic needs. These rules shall be structured so that:

(I) At-will contract employees receive benefits limited to coverage and employer contributions as required by law for social security, worker's compensation, unemployment compensation and group insurance benefits as provided in subdivision (III) of this subparagraph and except as otherwise provided in subdivision (IV) of this subparagraph;

(II) The minimum benefits or rights specifically required under any federal law are provided. In determining the minimum benefits or rights provided under federal law, the rules shall require employment contracts under this subparagraph to be structured so as to exempt at-will contract employees from coverage to the greatest extent possible;

(III) Except as provided in this subdivision and in subdivision (IV) of this subparagraph, no at-will contract employees shall be eligible for or accrue any type of leave or be eligible to participate in or otherwise be covered by state employees' and officials' group insurance, the state retirement system or the deferred compensation program. If the employment contract so provides, an at-will contract employee may be eligible for membership in the state employees' and officials' group insurance plan in accordance with W.S. 9-3-207, or in the case of the Wyoming retirement system an at-will contract employee of a member employer may be enrolled in the system if that employee's wages under the contract are reported on an Internal Revenue Service Form W-2 Wage and Tax Statement, provided the employee pays the total premium or contribution required;

(IV) Notwithstanding subdivision (III) of this

subparagraph, if the employment contract so provides, an at-will, year-round, full-time brand inspection contract employee authorized to carry out the duties specified by W.S. 11-20-201 may be eligible for membership in the state employees' and officials' group insurance plan in accordance with W.S. 9-3-207, and the state retirement system under W.S. 9-3-412, provided the employee pays the total premium or total contribution required, or the portion of the premium or contribution, if any, the employment contract directs the employee to pay and the employee's wages under the contract are reported on an Internal Revenue Service Form W-2 Wage and Tax Statement. The Wyoming livestock board shall have sole discretion to determine the amount of the total premium or contribution to be paid by the employee and the amount to be paid by the board, if any. The amounts shall be stated in the employment contract. The time limitations provided in subdivision (V) of this subparagraph shall not apply to any employee under this subdivision;

(V) An at-will contract shall be for a term not exceeding twenty-four (24) months subject to renewal of the contract at the end of the contract period.

(xii) Repealed By Laws 2009, Ch. 129, 2.

(xiii) Administer all statewide training functions provided by the department;

(xiv) Repealed By Laws 2001, Ch. 55, 3.

(b) The state compensation plan shall apply to all state executive branch employees except those employees of the University of Wyoming and community colleges. The compensation and classification plan shall be designed to attract and retain a sufficient quantity of quality employees with competitive compensation based on relevant labor markets for each class of employment. The plan shall be based upon principles of fairness and equity and be administered with sound fiscal discipline. The plan shall utilize both fixed and variable compensation as well as noncash reward and recognition programs. All variable compensation benefits under the plan shall be administered by the department as a separately designated and appropriated budget item. The plan shall consist of:

(i) Current job descriptions. These shall describe job content including the nature and level of work performed, responsibilities, requirements to possess professional licenses, certifications or registrations, and assist in job evaluation and classification, pay comparisons with other entities, recruitment, selection and performance appraisal;

(ii) Job content and classification. This process shall

formally assign positions to classifications and determine pay grades in one (1) or more pay systems based on an evaluation of the content of jobs using quantitative point factors. At a minimum, these factors shall include knowledge, experience, skill problem solving, accountability and working conditions. These factors and their weights shall be established by the human resources division and reflect the relative importance of job content to the state and to the appropriate local, regional, national market or a combination of these markets as determined by the division. Establishing the value of compensation shall be primarily based on establishing the appropriate market value of the job. For positions for which a market value cannot readily be identified, the value of compensation shall be based on a fair and defensible method. Total compensation, including base salary, benefits, lump sum payments, allowances and other variable elements of compensation shall 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. The human resources division shall periodically audit and update the system to ensure that it reflects current labor market conditions and at the request of the state employee compensation commission shall review applicable department rules and regulations, or through assessing employee complaints analyze hiring difficulties and turnover statistics;

(iii) Pay data collection and analysis. Data collection shall be based on a defined and relevant labor market that is representative of public and private sector employers. The relevant labor market may be local, regional, national or a combination of these markets as determined by the division to best reflect the relative importance of a job to the state. Data analysis shall identify salary ranges for each pay grade with minimum and maximum dollar limits. The total compensation package for state employees shall be considered in the data collection and analysis;

(iv) Procedures to set and change individual pay rates consistent with subsection (c) of this section;

(v) A performance appraisal system. This system shall measure performance in writing as objectively as possible. The system shall relate differences in performance levels and provide a means of employee advancement within classification pay grades. Evaluators shall be trained in performance appraisal prior to assessing the performance of any employee. Evaluators shall be required to attend continuing personnel evaluation education programs as deemed necessary by the human resources division. All employees subject to appraisal may respond to the appraisal of their performance in writing;

(vi) When a license, certification or registration is

required to perform job duties it shall be included in the position job classification, job advertisement and announcement;

(vii) Data collected under this subsection shall be available to the legislature as needed.

(c) The state compensation plan shall provide for the following procedures to establish and change individual pay rates:

(i) Rates of pay shall be determined using knowledge, skills, abilities, experience, responsibilities, requirements to possess professional licenses, certifications or registrations, and labor market conditions giving consideration to salaries in the public and private sector in the relevant labor market as determined by the division. Rates of pay shall be based on a combination of achievement of performance objectives, recognition of differences in job content, acquisition and application of further knowledge, skills and abilities;

(ii) General pay increases shall be only those approved by the legislature;

(iii) Pay increases based on performance appraisals shall be approved consistent with the performance appraisal system;

(iv) Promotion pay increases may be approved when an employee moves to a higher job grade;

(v) Longevity pay increases shall be approved at a rate of forty dollars (\$40.00) per month for each five (5) years of service. Longevity pay increases shall not be considered as part of base pay;

(vi) Special pay increases may be approved by the governor using available funds.

(d) Repealed by Laws 1989, ch. 52, 2.

(e) Any employee who has been paid for accumulated vacation or sick leave upon separation and who is rehired within thirty-one (31) days after separation, shall fully reimburse all payments for accumulated vacation or sick leave within thirty-one (31) days after being rehired with all rights. Any person who fails to reimburse the state as herein required shall be terminated.

(f) The human resources division shall establish and administer a program of position sharing subject to the following provisions:

(i) The sharing of any position is subject to approval by the director or chief administrator of the agency;

(ii) Each employee shall work a portion, equal to the employee's share of the full-time position, of the number of hours required for the full-time position being shared;

(iii) Each employee shall receive a portion, equal to the employee's share of the full-time position, of the salary attributable to the full-time position being shared, according to the state classification and compensation plan;

(iv) Position sharing employees are entitled to a portion, equal to the employee's share of the full-time position, of employee benefits accorded to full-time employees. Benefits which cannot be divided, such as participation in the state group health and life insurance programs, shall be accorded to position sharing employees on the same basis as full-time employees without division, but the state's contribution to the insurance or other benefit programs shall be a portion, equal to the employee's share of the full-time position, of the contribution for full-time employees.

(g) The state shall, in accordance with rules promulgated by the human resources division and on behalf of any employee receiving temporary total disability benefits for an injury covered under the Wyoming Worker's Compensation Act and sustained while acting within the scope of employment with the state, for two (2) calendar months following the month in which the injury occurred, pay the employer's contributions to the state group health insurance plan, the state group life insurance plan and to the state retirement system. For the following four (4) calendar months the state shall pay both the employer's and the employee's contributions to the state group health insurance plan, the state group life insurance plan and the state retirement system. Payments under this subsection shall continue and the injured employee's employment shall be considered continuous until the end of the sixth calendar month following the month in which the injury occurred, until the injured employee returns to work or is terminated or until the injured employee is no longer eligible to receive temporary total disability benefits, whichever first occurs.

(h) In promulgating rules regarding layoffs due to reductions in force, the division shall require:

(i) That each agency shall designate divisions within the agency for the purpose of reduction in force;

(ii) That no layoffs from a reduction in force shall occur within sixty (60) days of any designation under paragraph (i) of this subsection;

(iii) That layoffs due to a reduction in force shall occur within affected divisions designated under paragraph (i) of this

subsection and that no employee affected by a reduction in force shall displace any other employee outside his designated division;

(iv) That designations under paragraph (i) of this subsection shall be made by the agency director and are not rules under W.S. 16-3-101 through 16-3-115.

(j) Designations under paragraph (h)(i) of this section:

(i) Shall not be effective until approved by the governor;

(ii) Are not subject to contested case procedures or judicial review under W.S. 16-3-101 through 16-3-115.

(k) Repealed By Laws 2009, Ch. 129, 2.

(m) A department director or commissioner appointed by the governor shall serve at the pleasure of the governor and may be removed by him as provided by W.S. 9-1-202. If authorized by law or upon approval by the governor, a department director or commissioner may appoint a deputy department director, one (1) or more division administrators, or both, who shall serve at the pleasure of the director or commissioner and may be removed by him at any time without cause. Any person appointed under this subsection shall be covered under the executive compensation plan. This subsection is not applicable to the game and fish department.

