



LARIMER COUNTY POLICIES AND PROCEDURES

HUMAN RESOURCES POLICY AND PROCEDURE 331.5Q

SUBJECT: COMPENSATION

DATE: January 3, 2023 this is an example of a minor change that does not require employee signature.

EFFECTIVE PERIOD: Until Superseded

REVIEW SCHEDULE: Annual

CANCELLATION: Human Resources Policy and Procedure 331.5P; June 29, 2021

ENCLOSURES:

1. [Compensatory Time Agreement, LCHR-75](#) (06/18)
2. [Payroll Advance Form, LCHR-13](#) (09/16)
3. [Guiding Principle Cash Bonus Request Form; LCHR-46](#) (09/17)
4. [Non-Cash Bonus or Award Form; LCHR-9](#) (09/17)
5. [Request Written Approval from Director of Human Resources](#) (12/18)

REFERENCES:

- A. [Fair Labor Standards Act](#) and implementing regulations
- B. Human Resources Policy and Procedure 331.8 [Corrective and Adverse Actions, Grievance Procedures, and Problem Solving Process](#)
- C. [Appendix A – Appointed Employees](#)
- D. [Larimer County Pay Plan](#)
- E. [Larimer County Step Pay Plan](#)
- F. Human Resources Policy and Procedure 331.6.24, [Family and Medical Leave](#)
- G. Governing Policies Manual, 3.8 - [Compensation and Benefits](#)
- H. Human Resources Policy and Procedure 331.4, [Conditions of Employment](#)
- I. [Colorado Revised Statute 30.2.102](#)
- J. Human Resources Policy and Procedure [331.4.25, Section III; Legal Compliance](#) (Drug and Alcohol-Free Workplace)
- K. [Flexibly Staffed Positions](#)

PURPOSE: This Policy is intended to describe how the County will conduct compensation administration and related issues (reference G).

SCOPE: This Policy and Procedure applies to all employees of Larimer County and employees of

the Office of the District Attorney, Eighth Judicial District.

RESPONSIBILITY: The Human Resources Director administers this Policy.

SPECIFIC REQUIREMENTS:

1. Preparation of market-based Pay Plan and Step Pay Plan revisions
2. Compliance with overtime laws
3. Administration of merit based and step-based compensation requirements
4. Timely submission of correct payroll information

REVISION SECTION (Significant Changes from Prior Policy):

- Section II
- Section III, F and G
- Section VIII, B
- Other minor housekeeping changes throughout policy
- Section X, A, 2 and 3 (*approved 1/3/2023*)

POLICY AND PROCEDURE:

- I. **GENERAL POLICY:** The County's pay policy is structured to compensate employees based on the nature and level of work performed, how well the employee accomplishes the work, and compliance with all applicable legal requirements (reference A).

Larimer County is dedicated to administering compensation in a way that is fair and transparent, that provides equal pay for equal work, and that does not take into consideration race, ethnicity, religion, sex, gender, age, disability, sexual orientation, gender identity or expression, or other factors unrelated to work performance.

- II. **PAY INCREASES:** Pay increases will be granted only if adequate funds are budgeted and approved by the Board of County Commissioners or Decision Maker.

- III. **DETERMINING PAY**

- A. **Pay Ranges**

1. **Pay Plan:** Each job in the Pay Plan is assigned to a pay range (reference D).
 - a. Regular, Limited Term and covered Appointed jobs (reference C) are assigned to market-based ranges.
 - b. Elected Officials, non-covered Appointed and Temporary jobs are assigned to fixed ranges (references C and I).

2. Step Pay Plan: Assigns a pay range for eligible employees in the Sheriff's Office with defined steps for progression (reference E).
- B. Pay Plan Review: Human Resources will review the Pay Plan and Step Pay Plan (references D and E) annually for equity and will prepare a compensation recommendation for the Board of County Commissioners approval.
1. The Human Resources Director is authorized to make changes to the Pay Plan and the Step Pay Plan to address job classifications, external market, state and federal regulations, pay equity, and other adjustments.
 2. Decision Makers may request the Human Resources Director, or designee, to review jobs for pay equity by submitting a written request with justification.
- C. Pay Rates:
1. Regular and Limited Term Employees: These employees are paid a base pay rate within the pay range established for their job classification (references D and E).
 2. Temporary Employees: These employees are paid a base pay rate as determined by the Decision Maker.
 3. Covered Appointed Employees: These employees are paid a base pay rate within the assigned range (reference C).
 4. Non-covered Appointed Employees: The Board of County Commissioners will establish the Appointed pay rates through a salary resolution (reference C).
 5. Elected Officials: Salaries are set and governed by State Statute (reference I).
- D. Starting Pay Rates:
1. Regular and Limited Term Employees
 - a. Pay Plan
 - 1) A Decision Maker can hire an employee at a pay rate up to the midpoint of the range for the job classification.
 - 2) A Decision Maker can request approval to hire an employee at a pay rate greater than the midpoint of the range up to the max of the pay range for the job classification by submitting enclosure 5 to the Human Resources Director for review, and then for approval by the County Manager. A Decision Maker does not need approval to pay an employee they are

promoting above the midpoint if that employee is already being paid above midpoint in their current job.

b. Step Pay Plan

- 1) A Decision Maker can hire an employee up to the third step for the job classification.
 - 2) A Decision Maker can request approval to hire a new employee higher than the third step for the job classification by submitting enclosure 5 to the Human Resources Director for review, and then for approval by the County Manager.
2. Temporary Employees: These employees are hired at an hourly base pay rate as determined by the Decision Maker, taking into account equal pay for equal work.
 3. Covered Appointed Employees: These employees should be hired within the pay range assigned to their job (reference C), in accordance with Starting Pay Rates (section III, D.1 above).
 4. Non-covered Appointed Employees: A Decision Maker will request the pay rate through a salary resolution (reference C).

E. Pay Date: All employees are paid by direct deposit on a biweekly basis.

F. Flexibly Staffed Positions:

1. A position is considered to be flexibly staffed when it is noted in the job description (reference K).
2. When an employee has met the criteria for advancement as noted in the job description and is satisfactorily performing the duties of the position, the employee may be advanced by the supervisor.
3. Position Description Questionnaires are not required for flexibly staffed positions.

G. Pay Increases for Employees:

1. Regular and Limited Term Employees:
 - a. Pay Plan Merit Increases: Annually, employees, that have not reached the top of their established pay range, are eligible for merit pay increases for “meets” or “exceeds expectations” ratings overall, to the maximum of the pay range. The amount for a merit increase may vary yearly, as adopted by the Board of

County Commissioners. The employee's supervisor must complete and submit a performance evaluation by the employee's evaluation date (reference H). If an employee will be receiving a "below expectations" evaluation, and the employee's supervisor does not complete the evaluation by the pay period prior to the evaluation date, it may result in the employee automatically receiving their merit increase.

- b. Step Pay Plan Increases: Annually, employees who have not reached the top of their established pay range, are eligible for a step pay increase for standard or above performance of duties up to the maximum of the pay range.
2. Temporary Employees: Pay increases are determined by the Decision Maker, with documentation.
 3. Appointed Employees: Annually, the employee's salary is reviewed and set by the employee's Decision Maker (reference C).
 4. Elected Officials: Salaries are set and governed by State Statute (reference I).
- H. Impact of Various Employment Changes:
1. Moving to a Higher Pay Range: For both the Pay Plan and the Step Pay Plan (references D and E), when an employee is promoted or reclassified to a position with a higher pay range, the employee's pay rate is adjusted in accordance with the Starting Pay Rates (section III, D.1).
 2. Moving to a Lower Pay Range: When an employee is demoted or reclassified to a position with a lower pay range, the employee's pay rate is adjusted as follows:
 - a. Pay Plan:
 - 1) Disciplinary Demotion: The employee's pay rate is reduced and moved downward into the new pay range at the same range penetration as the old pay range. A Decision Maker may request a review by the Human Resources Director, or designee, of the application of this section to a particular personnel action based on budgetary constraints, internal equity concerns, or if the action requires the employee to be reduced more than one pay grade or equivalent.
 - 2) Voluntary Demotion: If the employee's current pay rate falls within the new pay range, the employee is moved into the new classification at their current pay rate. If the employee's current pay rate does not fall within the new pay range, the employee's pay rate will be adjusted to the maximum of the new range. A Decision Maker may request a review by the Human

Resources Director, or designee, of the application of this section to a particular personnel action based on budgetary constraints, internal equity concerns, and employment changes outside the current nature of work.

- 3) **Reclassification:** If the employee's current pay rate falls within the new pay range, the employee is moved into the new classification at their current pay rate. If the employee's current pay rate does not fall within the new pay range, the employee's pay rate will be adjusted to the maximum of the new range.

b. **Step Pay Plan**

- 1) **Disciplinary Demotion:** The employee's pay rate is reduced to the new pay range at the same step as the previous pay range.
 - 2) **Voluntary Demotion:** The employee's pay rate is reduced to the new pay range at the appropriate step based on the employee's experience. A Decision Maker may request a review by the Human Resources Director, or designee, of the application of this section to a particular personnel action based on budgetary constraints, internal equity concerns, and employment changes outside the current nature of work.
 - 3) **Reclassification:** The employee's pay rate is reduced to the new pay range at the appropriate step based on the employee's experience.
3. **Out-Of-Title Pay:** If an employee is temporarily performing the duties of a higher range position or has an increased workload due to a vacancy, special project or assignment, they are eligible to receive out-of-title pay. For the length of the temporary assignment, the employee's pay will increase as approved by the Human Resources Director, or designee.
 4. **Increase within the Same Pay Grade:** When an employee is transferred, reclassified, or flex staffed into a job within the same pay grade, the employee is eligible for a salary increase in accordance with *Starting Pay Rates* (section III, D.1).
 5. **Base Pay Adjustments:** An employee's base pay may be adjusted without a change in job as a result of salary inequities, salary compression (between supervisor and subordinate) or career progression. The Decision Maker may request a review by Human Resources for inequities within a job title and/or compression by submitting a written justification. Base pay adjustments are approved by the Human Resources Director or designee.

In addition, a base pay adjustment may be made prior to the end of an employee's probationary period should the supervisor discover the employee exhibits

additional skillsets that were not known at time of hire that the County will use during their employment. This base pay adjustment must be requested in writing by the Decision Maker and approved by the Human Resources Director.

6. Whether an employee is demoted, promoted, reclassified, or transferred, the employee must meet the minimum qualifications for the new position.

- IV. PAYROLL ADVANCES: An employee can receive advance payment of wages only in a bona fide emergency situation upon approval of the Decision Maker and the Payroll Manager. A request for a payroll advance must be submitted on or before the pay period end date (enclosure 2). Requests for a payroll advance will not be approved in consecutive pay periods for the same employee, or more than twice per calendar year.
- V. OVERTIME:
- A. The standard County workweek is 12:00 a.m. (midnight) Thursday through 11:59 p.m. Wednesday. All County departments and offices must use the standard work week for all employees unless specifically exempted by the Board of County Commissioners.
- B. Status of a job as exempt or non-exempt is determined by the Human Resources Director or designee.
- C. Non-exempt employees are eligible for overtime payments at a time-and-one-half their regular hourly rate of pay after the employee works more than 40 hours in a workweek. Paid leave is not considered "time worked" for the purposes of overtime calculation. Certain positions are eligible under Federal law to use a longer work period for overtime calculation than the normal 40-hour workweek.
1. Overtime may be worked only upon prior approval of the Supervisor or designee; however, non-exempt employees must be paid for all time worked. Any non-exempt employee who works unauthorized overtime will be paid for the unauthorized overtime but may be subject to disciplinary action (reference B).
 2. A supervisor or designee may require any employee to work overtime hours. The manager or supervisor is responsible for determining when overtime hours are in the best interest of the department and what constitutes a fair distribution of overtime hours.
 3. If an employee feels that overtime work is being unfairly distributed or is excessive, they may address this through the Problem-Solving Process (reference B).
- D. Exempt employees must be paid on a salary basis. This means exempt employees will regularly receive a predetermined amount of compensation each pay period on a

weekly basis. Larimer County is committed to complying with salary basis requirements, which allows properly authorized deductions. If you believe an improper deduction has been made to your salary, you should immediately report this information to Human Resources. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, you will promptly be reimbursed.

VI. COMPENSATORY TIME (Comp Time):

- A. Comp Time is time off granted in lieu of overtime payment for non-exempt employees. For every hour worked, eligible non-exempt employees (Regular, Limited Term and Temporary) may be granted one and one-half hours of Comp Time.
- B. Decision Makers may decide whether or not to offer Comp Time to employees in their departments or offices.
- C. Prior to receiving Comp Time an employee must sign and submit a Compensatory Time Agreement (enclosure 1) to their Decision Maker. The Decision Maker may either approve or deny the agreement. The signed agreement must be in place prior to accruing Comp Time. The Compensatory Time Agreement form can also be used to rescind a previous agreement or request a payout.
- D. Accrual Maximum:
 - 1. Employees may accrue a Comp Time balance of up to 60 hours. The Decision Maker or designee can request approval from the Human Resources Director to increase the maximum accrual. A Comp Time balance cannot exceed the limits established in Federal law (reference A).
 - 2. Any overtime worked beyond the department Comp Time maximum must be compensated, with the employee getting one- and one-half times the regular rate of pay for any overtime hours actually worked.
- E. Use Of Accrued Compensatory Time Off:
 - 1. An employee with a Comp Time balance may request to use the accrued Comp Time at any time. Unless the employee's absence would unduly disrupt departmental operations, the Decision Maker must grant the employee's request. If the Decision Maker denies the employee's request, the employee must be allowed to use the requested Comp Time within a reasonable time period.
 - 2. The Decision Maker may require employees to use any or all of their accrued Comp Time balance at any time.

3. Employees may use their accrued Comp Time for an FML-qualifying absence (reference F).

F. Payment Of Balances:

1. Employees with a Comp Time balance may request payment for all or part of the accumulated hours in their balance at any time (enclosure 1).
2. The Decision Maker may choose to rescind an agreement and pay the employee the Comp Time balance at any time.
3. A terminating employee with a Comp Time balance must be paid for all accrued hours using the employee's current rate of pay.

- G. Sheriff's Office: Sheriff's employees are granted Comp Time off in accordance with the provisions of the Sheriff's policies and in compliance with applicable State and Federal law.

VII. ON-CALL WORK:

- A. Decision Makers may determine that on-call assignments are needed in order to meet their business needs. The Human Resources Director or designee must review and approve specific on-call procedures prior to their implementation.
- B. On-call duty is an assignment made by a Decision Maker or designee, outside of an employee's normal work schedule, typically when an employee is required to be available to respond, report to a work site and begin work within a certain amount of time. Employees designated as on-call remain obligated to comply with all County policies and procedures, departmental policies, procedures, rules, regulations, and supervisory direction, including the Substance Abuse Prevention Policy (reference J). Employees in an on-call status must be fit for duty at all times and may not drink alcohol or use other controlled substances that may affect their job performance while on call. The employee's response time to calls, or to report in for duty will be reasonable as defined in the department's policy.

VIII. TRAVEL TIME

- A. The time an employee spends going from home to work and from work to home is not compensable time, whether the employee reports to a fixed location or different job sites.
- B. Employees who are required to travel from jobsite to jobsite during the workday will be paid for time spent traveling between jobsites. Remote workers or their supervisors should contact their Generalist for guidance on travel during their

workdays.

- C. Travel where an employee is away from home overnight is paid working time when it occurs during the employee's normal work hours. Time spent traveling during an employee's normal work hours is counted even if on a non-working day like Saturday and Sunday. Overnight travel time outside the employee's normal daily work hours is not paid working time.

IX. SECOND LANGUAGE COMPENSATION

Employees using a second language for purposes of performing their job duties may be eligible for additional compensation in accordance with the [Second Language Compensation Program](#). Employees who are given a higher base pay rate at hire for their language skill are not eligible for the additional compensation.

X. GUIDING PRINCIPLE BONUSES/NON-CASH AWARDS

Larimer County expects all employees to adhere to our [Guiding Principles](#) in their daily responsibilities and in providing services to the citizens of Larimer County.

- A. Cash bonuses may be awarded when an employee's action or behavior exemplifies one or more of the Guiding Principles. Employees are encouraged to bring the action or behavior of other employees to the attention of the Decision Maker so a Guiding Principle bonus may be considered. Only one Guiding Principle cash bonus may be awarded per calendar year, per employee. A cash bonus may be requested by completing LCHR-46 Guiding Principle Cash Bonus Request Form (enclosure 3).
 1. A cash bonus up to and including the amount of \$500 may be distributed at the discretion and approval of the Decision Maker.
 2. A cash bonus in the amount of \$501-\$2500 requires submittal to and approval by the Guiding Principles Committee. After review by the Guiding Principles Committee, the request will be sent to County Manager for final approval.
 3. A cash bonus in the amount of \$2501 and above requires Board of County Commissioners approval in addition to the steps described above.
- B. Decision Makers are encouraged to take into consideration any corrective or adverse actions received by an employee within the prior twelve months before giving an employee a Guiding Principle bonus.
- C. Supervisors may request approval from their Decision Maker for a non-cash bonus or award for an employee, such as a gift card, when an employee has exceeded expectations on a project, in the performance of their job, or exemplifies one of the County's Guiding Principles by completing LCHR-9 Non-Cash Awards Bonuses Form and

submitting it to payroll (enclosure 4). The maximum amount of a non-cash bonus or award is \$500.

- D. All cash and non-cash bonuses or awards will be taxed on the employee's paycheck according to IRS guidelines.

Jody Shaddock-McNally
Chair, Board of County Commissioners
(Approved by BCC – Consent Agenda – 01/03/2023)
(Signature on original filed in Records Management)

Distribution:
All County Department and Elected Officials
Records Management SOP Manual (original)

APPROVED BY Board Chair 11/2/23

CK/vl