

Total Compensation Salary Administration

1034.1 THE PAY PLAN

The Pay Plan is the full schedule of pay ranges for all positions in the Classification Plan and is based on the principal of equal pay for substantially equal work and is constructed so that it provides:

- (a) An appropriate salary structure to recruit and retain qualified, competent employees; and
- (b) An appropriate pay to ensure high employee productivity and to balance competitiveness with the external market with internal equity.

1034.2 ADMINISTRATION OF PAY PLAN

The Sheriff shall have responsibility for the administration of the Pay Plan and shall, whenever necessary, recommend amendments to the Commissioners of St. Mary's County (CSMC) for approval.

1034.3 FAIR LABOR STANDARDS ACT (FLSA)

It is the Sheriff's policy to comply with the Fair Labor Standards Act (FLSA) as amended. The FLSA is the basic pay act in the United States which sets minimum wage, overtime pay, equal pay, record keeping, and child labor standards. The FLSA also requires most employers to pay at least the federal minimum wage for all hours worked and overtime pay at time and one-half the regular rate of pay for all hours worked over 40 hours in a work week.

However, section 13(a) (1) of the FLSA provides an exemption from both minimum wage and overtime pay for employees employed as bona fide executive, administrative, professional, or outside sales employees, section 13(a) (1), and section 13(a) (17) also exempts certain computer employees. To qualify for exemption, employees generally must meet certain tests regarding their job duties and be paid on a salary basis at not less than \$455 per week. Job titles do not determine the exempt status. For an exemption to apply, an employee's specific job duties and salary must meet all the requirements of the Sheriff's Office regulations.

- (a) **Salary Basis Requirement.** To qualify for exemption, employees generally must be paid on a salary basis. These salary requirements do not apply to outside sales employees, teachers, and employees practicing law or medicine. Being paid on a "salary basis" means an employee regularly receives a predetermined amount of compensation each pay period on a weekly or less frequent basis. The predetermined amount cannot be reduced because of variations in the quality or quantity of the employee's work. Subject to exceptions listed below, an exempt employee must receive the full salary for any workweek in which the employee performs any work, regardless of the number of days or hours worked. Exempt employees do not need to be paid for any workweek in which they perform no work. If the employer makes deductions from an employee's predetermined salary (i.e., because of the operating requirements of the business), that employee is not paid on a "salary basis." If the

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employee is ready, willing, and able to work, deductions may not be made for time when work is not available.

- (b) **Circumstances in Which the Employer May Make Deductions from Pay.** Deductions from pay are permissible when an exempt employee is absent from work for one or more full days for personal reasons other than sickness or disability; for absences of one or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy or practice providing compensation for salary loss due to illness; to offset amounts employees receive as jury or witness fees, or for military pay; or for unpaid disciplinary suspensions of one or more full days imposed in good faith for workplace conduct rule infractions. Also, an employer is not required to pay the full salary in the initial or terminal week of employment; for penalties imposed in good faith for infractions of safety rules of major significance, or for weeks in which an exempt employee takes unpaid leave under the Family and Medical Leave Act. In these circumstances, either partial duty or full-day deductions may be made.
- (c) **FLSA Compliance.** It is our policy to comply with the salary basis requirements of the FLSA. The County does not allow payroll deductions that violate FLSA. All managers are prohibited from making any improper deductions from the salaries of exempt employees. It is encouraged that managers communicate this policy to the appropriate employees and ensure they are aware and understand this policy.
- (d) **What to Do If an Improper Deduction Occurs.** If you believe an improper deduction has been made to your salary, you should immediately report this information to County Personnel and Finance. Reports of improper deductions will be promptly researched. If it is determined an improper deduction has occurred, you will be reimbursed in a timely manner.

1034.4 GRADE AND PAY RANGE

Each position shall be assigned an appropriate grade and salary based upon the following factors:

- (a) The duties, responsibilities, knowledge, skills, and abilities required by the position as evaluated in terms of the St. Mary's County Classification Plan as outlined in policy.
- (b) The relationship to other positions in the division and the similarity to other positions in St. Mary's County Government; and
- (c) The recruiting and retention experience of the St. Mary's County Sheriff's Office.

1034.5 COMPENSATION

Unless specifically exempted under the Fair Labor Standards Act (FLSA), all employees covered under the FLSA shall be paid at least the minimum wage for all hours worked. Employees will be paid based upon the following:

- (a) Non-exempt employees shall be paid on an hourly rate of pay basis.
- (b) Exempt employees shall be paid on a salary basis.
- (c) Sworn Law Enforcement and Corrections Officers shall be paid on a salary basis.

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1034.6 WORK PERIODS

For purposes of determining and paying compensation, all employees are on a seven (7) day work period except for non-exempt sworn law enforcement and correctional officers.

Non-exempt sworn law enforcement and correctional officers are compensated daily. Overtime compensation will be computed based on hours worked more than scheduled duty hours.

1034.7 PAY PERIOD

All employees are on a fourteen (14) day, two (2) week, pay period as established by the St. Mary's County Department of Finance.

1034.8 PAY DAYS

Employees are paid every two (2) weeks on the Friday following the close of a pay period. The amount of pay received will not reflect the hours worked during the pay week, but rather the hours worked during the two (2) weeks prior to the pay week.

1034.9 PAYCHECK STUB

Pay checks and direct deposit stubs shall be released by the St. Mary's County Department of Finance on the pay date for distribution to the employee. Direct deposit stubs are provided to employees electronically and can be accessed on the County Intranet. The employee's paycheck or direct deposit stub will include both current and year-to-date information on pay received, deductions taken from gross salary, and leave and compensatory time earned/taken.

1034.10 ANNIVERSARY DATE

Establishment. Each employee shall have an anniversary date established by the St. Mary's County Department of Human Resources. The anniversary date will be the effective date of an employee's initial appointment, promotion, reemployment, demotion, or conversion to a full-time or regular part-time position; or such other date established in the salary or Classification Plan. Unless adjusted for one of the above reasons, or for a period of absence, the anniversary date shall remain the same for each succeeding calendar year for the duration of the employee's service. Anniversary dates will not be affected by the temporary service in a position but will only be effective upon final approval of appointment to a qualified position.

Purpose. An employee's anniversary date shall be utilized by the St. Mary's County Department of Human Resources for purposes of determining the date for the initiation of official performance evaluations, merit step increases, and may be used for application of credit for years of service with the County.

1034.11 MERIT INCREASES

General. Except as provided elsewhere in Policy, full time and regular part-time employees shall be eligible to receive annual pay increases, called merit increases, subject to the appropriation of funds during the budget process.

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Budget. The Commissioners of St. Mary's County (CSMC) shall determine the budgeted funds available for merit step increases during the budgetary cycle for each fiscal year. The amount of each step and the number of steps shall be specified in the Salary Schedule established and approved by the CSMC.

Eligibility. Merit increases, which are normally awarded on the employee's anniversary date, are not automatic, but are based upon satisfactory performance and budgetary authority. An employee must have an overall performance evaluation of at least "satisfactory" before an increase will be granted. If an employee's performance is less than satisfactory, the merit increase will be withheld in accordance with Policy.

Employees who are at or above the maximum step of their grade shall not be eligible for a merit increase.

Increase Effective Dates:

- (a) **Normal.** The anniversary date, on which an increase is awarded, is one year from the date the employee entered service with St. Mary's County Government or the date they received an equivalent increase in salary, such as a promotion or merit increase in salary.
- (b) **Unsatisfactory Evaluation.** If an employee receives an unsatisfactory evaluation, they shall not receive a merit increase until they receive a satisfactory evaluation. The merit increase shall be effective upon the date the supervisor certifies the employee's performance is satisfactory in accordance with Policy. The anniversary date is unchanged, and the next merit increase shall be due upon the next anniversary date, based upon satisfactory performance.
- (c) **Reinstatements.** Persons who are reinstated in County service will receive credit toward their anniversary date for previous County service, if the break in service did not exceed one (1) year, and the reinstatement is to a position at a grade level no higher than held before separation.
- (d) **Leave Without Pay.** Periods of leave without pay more than thirty (30) consecutive calendar days shall change the anniversary date.

1034.12 PROMOTION

When an employee is promoted to a position with a higher grade than their current position, the following shall apply:

- (a) **Rate of Pay.** Their rate of pay in the new position shall provide them with a minimum increase closest to ten percent (10%), not to exceed the highest step of the pay grade. Effective Jan 1, 2020, Correctional Officers are excluded from the 10% promotional increase. Upon promotion, the Correctional Officer will be placed in the promotional grade at their current step. Effective March 6, 2020, Law Enforcement Officers are excluded from the 10% promotional increase. Upon promotion, the Law Enforcement Officer will be placed in the promotional grade at their current step. Exceptions to the rate of pay may be approved in rare and unusual circumstances by the Sheriff and the Commissioners of St. Mary's County.

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- (b) **Promotion Delay.** Subject to approval by the Sheriff and County Administrator, employees for whom a promotion is authorized may request a delay of up to sixty (60) days in the effective date of the promotional salary to take advantage of a merit increase due in their current grade during that period.
- (c) **Anniversary Date.** The new anniversary date shall be the effective date of promotion.
- (d) **Minimum Pay.** In no case shall a promoted employee's salary be set below the minimum salary of the grade to which they were promoted.

1034.13 REASSIGNMENT

If an employee is transferred from one position to another position at the same grade level, their salary and anniversary date shall remain the same.

If the employee is reassigned to a lower grade level, their salary in the new grade shall be adjusted to the step closest to, but not lower than, their current salary. If the employee's salary at the time of the change is higher than the maximum rate of pay within the new grade, the employee's current rate of pay shall be frozen until the maximum rate of pay within the new grade, with COLA adjustments, exceeds their frozen rate of pay. The employee's anniversary date shall remain the same.

Exception. If an employee was promoted from a lower grade to a higher grade within the same general classification or is returning to a position that was previously held, then the employee may be constructively returned to the lower grade position as if the promotion had not occurred with their salary and anniversary date adjusted accordingly.

1034.14 DEMOTION

Rate of Pay. The rate of pay shall be adjusted to the closest step within the lower grade that will provide closest to a four percent (4%) reduction in pay if the original increase was prior to July 1, or closest to a ten percent (10%) reduction in pay if the original increase was on or after July 1. If the employee's reduced salary is higher than the maximum rate of pay within the new grade, the employee's salary shall be frozen until the maximum rate of pay within the new grade, with COLA adjustments to the pay scale, exceeds the frozen rate of pay. Sworn law enforcement officers are exempt from this policy.

Anniversary Date. The anniversary date will be adjusted to the effective date of the demotion.