



The Helena Public School District recruits, retains, and motivates a highly qualified workforce through an understandable and competitive compensation structure.

Compensation Philosophy

Our compensation philosophy supports our mission to educate, engage, and empower each student to maximize his or her individual potential with the knowledge, skills, and character essential to being a responsible citizen and life-long learner through the following objectives:

- Recognize and reward employees through a compensation structure that values professional development, enhanced qualifications, and positive contributions to the organization. Ensure our compensation structure attracts new talent and promotes longevity.
- Maintain external competitiveness to honor our obligations to students, employees, taxpayers, and the community. Ensure the compensation plan is strategic and based on relevant market data and our recruitment and selection experience.
- Ensure compensation planning is fiscally responsible, recognizing local, state, and federal funding sources pose challenges. Strive to align compensation with the needs and goals of the district and our community.
- Ensure compensation for employees reflects experience and levels of organizational responsibility.
- Support employees holistically through benefits that include health insurance, retirement plans, paid leave, and professional development opportunities. Ensure employees feel valued and supported both personally and professionally.
- Ensure our plan adheres to legal standards, including state and federal laws regarding the compensation and benefits of certified and non-certified staff.
- Ensure our plan is tenable and actively promote understanding of the plan among all stakeholders, including employees, supervisors, and the community.
- Honor the collective bargaining process and foster collaborative decision-making.
- Ensure that compensation practices are sustainable, consistent, and respectful of all employees.
- Foster continuous improvement of our compensation system including regularly assessing the market and updating the system to reflect district needs and best practices.

Pay Plan Rules

Pay Plan Rules ensure consistency, transparency, and fiscal responsibility in compensation practices. The rules will support the uniform administration of employee compensation for employees not covered under a collective bargaining agreement across the District (i.e., independents), while aligning pay practices with available funding and strategic workforce goals.

Employee Movement

When an employee transitions from one employee group to another, the pay rules of the new position become the governing guidelines. This ensures consistency, equity, and alignment with the established compensation structures.

For example, if an employee moves from an independent position into a role covered by a collective bargaining agreement (CBA), the CBA will govern the pay determination and associated benefits. Conversely, if an employee moves from a represented position into an independent role, the Employee Handbook, HPS policies, and Pay Plan Rules become the governing documents for determining pay and benefits.

This framework ensures the appropriate placement of employees according to the rules and standards of the employee group they are joining.

Salary Matrix and Placement

The District will maintain a salary matrix for independent positions (positions not covered by a collective bargaining agreement or individual employment contract). Each pay range will include minimum and maximum rates of pay. Assignment of positions to a pay range shall be in accordance with the Helena Public Schools (HPS) Classification Manual that ranks job content based on factors to include knowledge, accountability, and complexity.

Overtime Eligibility

HPS will determine whether a position is overtime eligible (hourly) or overtime exempt (salaried) based on assigned duties and responsibilities that meet (or do not meet criteria) for overtime eligibility under federal and state law. Hourly employees will be paid their regular hourly rate of pay for all hours worked up to 40 hours in a work week in accordance with the Fair Labor Standards Act (FLSA); hours worked over 40 hours in a work week will be compensated at time and a half (overtime) and requires supervisor approval. Workweeks will normally begin at 12:00 a.m. on Sunday and end at 12:00 midnight the following Saturday unless otherwise designated.

Employees exempt from overtime (salaried) are not subject to federal or state overtime payment requirements. Compensation is based on the premise that overtime exempt employees work the hours as necessary to provide the public services for which HPS hired them. The salary paid to overtime exempt employees is full compensation for all hours worked.

(Cross reference Policy 5060, Holidays and Policy 5055, Leaves of Absence)

Initial Pay Assignment (New Hire)

- A new employee's base wage may not be less than the minimum wage of the assigned grade [unless in conjunction with a training assignment]. Department heads must consult with the HR Office for salary determination to ensure internal equity. Generally, HPS will extend wage offers that align with the employee's years of experience directly relevant to the position, not to exceed the midpoint (Step 5).
- The Superintendent may grant further advancement above the midpoint (step 5) in consultation with the HR Director to address issues related to recruitment, retention, or other business-related reasons such as a multi-grade promotion, equity, alignment, or competitive market conditions.

Training assignment

An employee new to a job may be placed in a training assignment if the employee does not meet the position's minimum qualifications. Before implementing a training assignment, Human Resources (HR) must approve the justification and documentation including any base pay adjustments during the training assignment. The pay rate and overtime eligibility are based on the allocated grade of the training assignment. The step placement will follow pay plan rules. A training assignment:

- may not exceed one year;
- must be documented and signed by the employee, manager, and HR;
- must specify the starting base pay, any planned progression increases, and the ending base pay upon successful completion;
- must describe the training, experience, development goals, and performance-review requirements.

Pay Progression

- Employees on the independent salary matrix will progress from the step at which they are hired and receive an annual step increase effective each July 1 until the employee reaches the top of the salary range (i.e., Step 20) of the assigned grade.

Promotion to a Position at a Higher Pay Grade

- Employees receiving a one grade promotion typically advance to the step on the new grade that is nearest (at or above, not below) to 5%, not to exceed the top of the grade. The increase may be higher than 5% if necessary to bring the employee to the minimum of the salary range of the position.
- Advancement to a higher step above a 5% increase may be granted by the Superintendent in consultation with the HR Director to address issues related to recruitment, retention, or other business-related reasons such as equity, alignment, multi-grade promotions, or competitive market conditions.

Demotion to a position at a Lower Pay Grade

For voluntary movement (i.e., via the competitive recruitment process) or a disciplinary demotion where an employee is placed at a lower pay grade and their current base salary exceeds the top step (Step 20) of the assigned grade, the employee will be placed at the top step (Step 20) (i.e., no pay protection). Where their current base salary is below Step 20, the employee will be placed at the step closest to, but not exceeding, their current wage in the lower grade.

For involuntary movement because of discipline, the employee could be placed anywhere from the entry step of the lower grade, up to the step that is closest to, but not exceeding, their current wage in the lower grade. The district will consider internal equity when determining the demoted-to employees pay rate.

For involuntary movement as a result of District reorganization, or other business needs as determined by the Superintendent, that results in an employee assignment to a lower assigned grade, the employee will maintain their current base salary (i.e., be pay protected) and receive a stipend that is roughly the amount of any approved general wage increase that would have been received for the fiscal year until such time as they vacate the position or their current base salary falls within the salary range.

If the employee is subsequently promoted, the employee's pay shall be set according to the promotion rule, except the employee's pay rate may not result in a higher step than the employee had prior to the demotion.

Transfer to a Position at an Equal Pay Grade

The employee will typically maintain their current salary. The Superintendent may grant advancement to a higher step of the assigned grade in consultation with the HR Director to address issues related to recruitment, retention, or other business-related reasons such as equity, alignment, or competitive market conditions.

Retention Pay for Existing Employees

Department heads may make requests for pay exceptions by submitting them via email to the HR Director. The HR Director considers requests on a case-by-case basis, and the department head must provide support for two or more of the following in their request to the HR Director for consideration:

- The employee demonstrates consistent exceptional performance (i.e., demonstrates performance as a “senior contributor”).
- The employee is in a critical strategic position (i.e., a unique position critical to organizational operations).
- The employee has knowledge, skills and abilities critical to the organization that would be difficult to replace.
- The HR Department’s market data indicate the current wage rate is inadequate.
- The department head provides evidence of a written competing job offer (i.e., an offer letter from a competing local employer).
- The department head provides an internal equity analysis including a comparison of the employee’s competency, performance, and tenure to other employees within the department (HR must also review and approve the internal equity analysis).

The department head may include any other relevant information or documentation for consideration.

The HR Director will make a recommendation to the Superintendent for final determination within ten business days of receipt. If HR needs more time to review or gather information, the HR Director will notify the requesting party.

Typically, the HR Director will provide a written determination to the requesting party no later than one week (five business days) from the date of recommendation to the Superintendent. If HR needs more time to review or gather information, the HR Director will notify the requesting party.

Retention Pay generally shall not exceed 15% of the employee’s base salary. It may be added to the employee’s base salary or paid as a lump sum as described below. An employee may not receive more than 15% of their base salary over a twelve-month period unless recommended by the Superintendent and with the Board of Trustee approval.

In advance of authorizing a lump sum recruitment or retention payment, express conditions in writing for the payment must be agreed upon. The conditions must include a specified period of employment or continued employment. Any lump sum payment under

this section must only be made after services have been rendered in accordance with conditions established by HPS and become part of the employee's annual compensation for work performed prior to receipt of any funds.

Comparability Adjustments

Comparability increases may be used to adjust individual salaries *and/or* the pay ranges for each grade in the salary matrix. Typically, the entire pay range is adjusted for comparability, and existing employee pay is adjusted by the same percentage to avoid pay compression. However, pay ranges may be adjusted without adjusting individual employee pay or vice versa. These types of adjustments are based on economic indicators and funding availability.

An evaluation of salary information and associated comparability data will be used to establish and adjust the pay ranges for each grade. Employee pay may be moved with range adjustments within available funding, but there is no guarantee that it will. Pay adjustments may be made at any time there is a need, including responding to shifts in the market, recruitment, retention, or equity issues. Changes to rates for individual positions must be approved by the Superintendent.

The Board approves adjustments to the pay ranges and general wage increases for all employees, including the effective date.

Effective Dates

If there is a determination by the HR Office that a position is classified to a different grade (higher or lower) as a result in a significant change in the majority of job duties, the effective date will be the first day of the full pay period after the HR Office formally received the request. For example (based on a monthly pay period ending mid-month), if a formal request is received October 12, the effective date would be October 16th (the first day of the pay period following the request). If the request is received October 18th, the effective date would be November 16th.

A formal request is an updated job description from a department head or a written request from an employee that provides a detailed description of the change in job duties.

The HR Office will strive to complete classification reviews within thirty (30) calendar days of receiving the formal request and will provide a status update if additional time is needed beyond thirty calendar days.

Definitions

Additional information and definitions are outlined in the Classification Manual.

Compression: Occurs when there is an insufficient salary differential between the subordinate and the supervisor or between grade levels when considering career progression.

Demotion: Movement of an employee to a position with a lower job grade assignment than their current position. Demotion may be voluntary by the employee for a position with less responsibility, or involuntary as a result of discipline or organizational restructuring.

General Wage Increase: An across-the-board percent increase approved by the Board of Trustees to the salary matrix.

Inversion: When the salary of the subordinate is higher than that of the supervisor.

Market Comparison: The market used to compare job content and salary to other positions. Market comparison will include other AA Districts and organizations in the Helena area.

Salary Matrix: A chart that shows salary ranges based on Grade and Step and is used in determining salary placement. A salary matrix is adjusted based on approved general wage increases.

Promotion: Movement of an employee to a higher job grade than their current position, and not due to a market adjustment in salary. A multi-grade promotion is when an employee advances more than one grade in the salary matrix.

Reallocation: The assignment of a position to a different grade on the salary matrix.

Red Circle Rate: A pay rate that is above the maximum range assigned to the job grade. Employees who are "red circled" are usually not eligible for additional pay increases until the range maximums are increased above the individual pay rate or the employee transfers to a job with a higher pay range.

Training Assignment: A temporary, formally documented, and approved placement of an employee new to a job into a training assignment (typically at a lower grade than the job classification) when the employee does not yet meet the position's minimum qualifications. The training assignment defines the steps necessary for the employee to acquire the competencies necessary to perform the position and will include at least one of the following:

- On-the-job training (knowledge and skill developed through experience).
- Classroom or field instruction.

- Courses conducted by an educational institution, vocational school, or professional training organization; or
- Written, oral, and/or practical examination(s).

The training assignment will not exceed twelve months (the maximum duration of an employee's probationary period).

Transfer: Movement of an employee to a position in the same job grade as their current position.