

Memo

To: Montana State Library Commission

From: Kris Schmitz
Central Services Manager

From: Jennie Stapp, State Librarian

Date: July 26, 2018

Re: Broadband Pay Plan Policy update

Following a 2017 Legislative Performance audit of the oversight of discretionary pay changes for state employees and 2017 legislative action, the State of Montana Human Resources Division (DOA HR) updated the Broadband Pay policy and created a standardized template that agencies are to use to adopt new agency pay plan policies. Every October of odd number years, following legislative sessions, agencies are required to review and update their policies as necessary. In addition to the policy, DOA HR conducts a biannual salary market analysis which is considered when agencies adopt agency pay charts.

Staff presented the following draft pay plan policy for Commission review in June. The Commission is now asked to adopt the policy. Most of the language of the policy follows the standard template provided by DOA HR. Under section V. Pay Adjustments, the policy includes those options for pay adjustments allowed by the State that pertain to MSL's organizational structure. The policy does not include, for example, pay ladders, which MSL does not use due to the small size of the agency.

Though not provided for in the state template, staff proposes to continue to include target mid-point ratios to evaluate the need for market pay adjustments. In future years, MSL may attempt to prioritize personal services funding to adjust pay for positions whose pay lags the target mid-point ratio. The need and opportunity to plan for this kind of pay progression will be evaluated on a biannual basis when MSL reviews its pay plan policy and available funding.

Finally, staff recommends adoption of Appendix A, the MSL pay chart which is based on the DOA HR 2016 salary market analysis which is in effect until June 30, 2019. Making use of the most current market analysis supports the pay objectives of the broadband pay plan policy. Current salaries of all staff, except for three positions, fall within the competitive ranges for their positions. If the Commission adopts the new policy and pay chart, according to V. Pay Adjustments, B. Move to Entry of Range, MSL would award pay adjustments to the three staff. The pay adjustments would total approximately \$5,000 from the General Fund, Library Services Technology Act and Montana Shared Catalog budgets.