

HJR 17 – DATA RELATED TO PAY PLANS

A Report Prepared for the
Legislative Finance Committee

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INTRODUCTION

The 63rd Legislature passed HJR 17, a joint resolution to study state pay plans. Outlined in the resolution were several areas of study recommended for the Legislative Finance Committee to include in its examination, including what data is used to develop the pay plans and how that data is generated. The purpose of this report is to provide the Legislative Finance Committee with information on:

- Statutory requirements for pay plan data
- Best practices recommended for salary surveys
- Salary survey data development
- How this data is used in the development of the budget
- Considerations for legislative changes

Current Pay Plans

The state of Montana as a whole has a number of separate pay plans within state government including:

- Broadband pay plan
- Judicial pay plan
- Commissioner of Higher Education pay plan
- Exempt (non-classified) pay plan
- Blue collar classification plan
- Legislative Branch pay plan
- State Fund pay plan

Depending on the plan, various data sources and methodologies are used to establish the salaries paid to employees within state government. The following report discusses these differences.

REQUIREMENTS FOR ADMINISTERING THE STATE EMPLOYEE PAY PLAN

Montana statutes outline a number of requirements for the pay plans used to compensate state employees. The requirements drive the data elements developed by the State Human Resources Division within the Department of Administration (DOA).

DOA is required by statute to administer the state employee pay program established by the legislature on the basis of:

- Competency
- Internal equity
- Competitiveness to external labor markets when the fiscal resources of the state allow

Statute further outlines the intent of the legislature that compensation plans for state employees be based in part on an analysis of the labor market as provided by the Department of Administration in a biennial salary survey. The salary survey must be submitted to the Office of Budget and Program Planning as a part of the information required by 17-7-111, MCA.

SALARY SURVEY DATA

While statute requires that a biennial salary survey be conducted, the positions included in the survey are only those of the Executive Branch's broadband pay plan. Other pay plans either conduct separate salary surveys for positions within their purview or address pay increases through other means. The following report sections discuss the best practices for salary surveys and the data sources and survey development for the broadband pay plan. This is followed by a discussion of the development and data used for separate salary surveys or other methodologies used to establish salary levels.

The broadband pay plan used for the majority of executive branch employees must consist of nine pay bands. Each pay band must contain a salary range with a minimum salary and a maximum salary. Statute further requires that based on the biennial salary survey, DOA:

- Identify current market rates for all occupations
- Establish salary ranges for each pay band
- Recommend competitive pay zones

Thus, the biennial salary survey is a significant component of the data used to establish the amounts paid for state positions and the determination of competitiveness of the positions included in the broadband pay plan.

Best Practices for Salary Surveys

Salary surveys are utilized by both private and public employers and as such have established best practices to ensure the data gathered provides an accurate and reliable measurement of the job market. The national organization of WorldatWork certifies human resource officers and provides publications on best practices. According to the *WorldatWork Handbook of Compensation, Benefits & Total Rewards – A Comprehensive Guide for HR Professionals*, 80% of companies use market pricing as their primary job evaluation method. By ensuring that the State of Montana utilizes best practices in establishing pay levels the legislature develops controls over the costs of personal services.

According to the handbook, knowing the organization's relevant labor market is key in selecting and participating in the right surveys. The organization should know which competitors it draws employees from and to which it loses employees so that the employer can tailor its surveys to those competitors.

A benchmark is a job that is commonly found both within the organization and in outside organizations to ensure that the pay for the position can be easily found and measured. The benchmark is used to make pay comparisons because pay data for these jobs is readily available in published surveys. The handbook outlines survey practices beginning with the selection of benchmark jobs, which serve as market measurements or anchor points. According to the handbook, at least 50% of jobs within an organization should be measured to ensure the organization is:

- Examining positions that have comparable occupations in outside organizations. This ensures that the state is only gathering salary information on occupations where there is salary information outside of the state government and that the information is reliable
- Obtaining measurements on occupations that are critical to the operation of the organization. For example, within Montana state government, state correctional officers have the greatest number of positions. Due to the high number of employees and the public safety role the officers play, the legislature would want to ensure any salary information included this occupation as part of the survey
- Measuring enough of the occupations to provide management information on a number of the occupations in each pay band to ensure that the information is useful and statistically valid
- Gathering comparable salary information by ensuring that the duties of the positions are matched to 70% or more of the duties found in the survey jobs. This assures the legislature that the comparison between Montana state government positions and those in the private market or in other state or local governments are performing the same duties and have the same responsibilities
- Generally developing salary information where a number of individual salaries are combined to come up with the median salary. This ensures that comparable salaries are not derived from a single competitor that has a single employee. The exception to this may be managerial staff.

The handbook reiterates that good surveys have an adequate sample size – surveys with small samples have less statistical validity and can provide skewed data. According to the handbook, one should have at least two sources of surveys for key jobs. This provides validation of one survey against the other. HB 13 passed by the 2013 Legislature restricts the salary survey information to that provided by a single salary survey, the National Compensation Association of State Governments.

Additional points include a statement that the most important component of a salary survey is job matching because this is where compensation practitioners match apples to apples to ensure they are obtaining the right market data. This ensures reliable, comparable, and statistically valid market salary data. Further, according to the handbook there is one maxim that must be adhered to for a survey analysis to have any validity: jobs must be matched on job content, not on job titles.

The handbook discusses aging data if the surveys are conducted at various times throughout the year. It states that it is important to age published survey data to one common point in time so that accurate and consistent market comparisons can be made between the market and internal average pay. Finally, the handbook advises that entities ensure the data is good by reviewing for missing values, wrong codes, inversions, outliers, numbers that don't make sense, and large or unusual changes from the previous survey.

The next report sections discuss how they various pay plans utilize salary surveys and the practices they follow during the process.

Broadband Pay Plan

The State Human Resources Division conducts a biennial salary survey that is used for a market analysis of the broadband pay plan as required by statute. The purpose of the market analysis is to gauge the competitiveness of the state pay against the relevant external labor market. The division draws salary information from Montana and the surrounding states of Idaho, North Dakota, South Dakota, and Wyoming because of their proximity and comparable demographics. The division uses this as the relevant labor market for state employees. The division has made an educated assertion about the relevant labor market. However, it does not have comprehensive entity-wide data on:

- Why employees are leaving state government
- Who is hiring these state employees
- Where competitors for state employees are based (i.e. in Montana, in other states, in other governments)
- How salary plays into the employees decision to switch to other jobs
- Whether the relevant labor market is different for low band occupations than for higher band occupations

Because of the lack of data on the relevant labor market, the division does not know how important the differences in salaries are and if using salary comparisons as developed by the division are accurate reflections of the labor market that the state is competing in.

This issue was previously identified in a performance audit of the broadband pay plan conducted by the Legislative Audit Division. According to the audit:

According to the Society for Human Resource Management, there are at least three factors that define the relevant labor market. Competition for employees occurs with shared industry (similar products or services), occupations (same experience or skills), and location (same geographical area). Statute, while limited for the alternative pay plan (broadband pay plan), does indicate intent for pay to be established based on the relevant labor market. However, Montana's relevant labor market is not defined in rule or policy.

The use of the four surrounding states is defined in statute for some salary surveys, including elected officials, and was part of a required survey for positions within the broadband pay plan that was included in HB 13 passed by the 2013 Legislature. However, the four states may or may not be the relevant labor market for state government in Montana.

The Legislative Fiscal Division noted in the Personal Services Analysis report issued in September 2012 that because the state does not currently have a centralized method of collecting and synthesizing exit interviews, insight into the factors impacting an employee's decision to leave state employment is not currently available for others to examine, including the division or legislators. The Legislative Finance Committee recommended that the Department of Administration develop a centralized method of collecting data from exit interviews during

its September 2012 meeting. Once developed, the information could assist in the determination of the relevant labor market for occupations within Montana state government. The relevant labor market may vary depending on the skills, education, and responsibilities of the positions. For example, the labor market for clerical positions may only be the city in which the positions are located while the labor market for bank examiners may be regional (beyond the four continuous states) or national.

Job/Occupation Description Identification

The process of surveying begins with identification of the job or occupation descriptions which should be comparable to that of the description in the survey. Occupation descriptions are used that identify the duties and tasks assigned to each job. The division uses the Standard Occupational Classification (SOC) system to place jobs into occupations. The SOC is a national job classification system developed by the federal government, and allows the state to compare its occupations to similar occupations employed outside of Montana state government for pay purposes. To ensure that occupational comparisons with other employers are appropriate the division uses information on occupation descriptors generated through O*NET.

*Occupational Information Network (O*NET)*

The Occupational Information Network is a comprehensive system developed by the U.S. Department of Labor that provides information for over 950 occupations within the U.S. economy. This information is maintained in a comprehensive database. In order to keep the database current, the National Center for O*NET Development is involved in a continual data collection process aimed at identifying and maintaining up-to-date information on the characteristics of workers and jobs. To ensure a controlled data collection and management process, occupational data is collected in groups or “cycles”.

The O*NET database contains information on standardized and occupation-specific descriptors. Information is updated continually by surveying a broad range of workers in each occupation. Information on the occupation descriptions is outlined using a standardized, measurable set of variables. The model uses six domains, describing day-to-day aspects of the job and the qualifications of the typical worker.

The O*NET database was initially populated, prior to June 2001, by data collected from occupation analysts. The information has since been updated by annual ongoing surveys. The surveys are conducted with each occupation’s worker population and various occupation experts. Information is collected using a two-stage design:

- Statistically random sample of businesses anticipated to employ workers in the targeted occupations
- Random sample of workers in those occupations within those businesses is surveyed using standardized questionnaires

The State Human Resource Division staff classifies occupations based on the predominate duty of the position. Division staff reviews the occupation descriptions included in the salary surveys. The competencies, knowledge, skills, and abilities are outlined and matched with the state position descriptions. The descriptors must match by at least 80% to be considered a valid match. Some of the state jobs have duties in multiple occupations. For these, a combination or hybrid of the occupations is developed based on the percentage of the duties assigned to each occupation.

Market Surveys

The division develops the market midpoint salaries using three different salary sources. Comparisons are done using the SOC and examining the job descriptions outlining the skill, knowledge, and abilities required for each position. Salary data is collected from:

- National Compensation Association of State Governments (NCASG), formerly Central States Compensation Association - Compensation units from state governments that exchange salary information
- Occupational Employment Statistics (OES) - U.S. Bureau of Labor Statistics produces employment and wage estimates for over 700 occupations. The survey includes both private and public sector employers

- Kenexa – Private company that centralizes third party benchmark job surveys online

According to the division staff, these three sources allow for a wider range of occupational matches, reliability, and adequate sample size. Each source is further described below. Since not all survey sources cover the same time period, the data is aged using the current employment cost index issued by the U.S. Department of Labor.

National Compensation Association of State Governments

NCAGS is composed of two recently merged associations – the Central States Compensation Association and the Southeastern Compensation Association. Montana used the Central Compensation Association as part of its salary survey process. The purpose of the Central States Compensation Association was to improve the validity of job matches and accuracy of data in salary surveys among the participating states and to reduce the number of individual surveys exchanged among the states on an annual basis. The NCASG survey contains salary information for some positions within state governments including Montana and the four surrounding states. A separate survey on benefits is also available.

The NCASG survey is not as comprehensive as other surveys used by the division. For example the division found that:

- The number of job codes that can be matched from the NCASG is 316 or about 42% of the state's positions
- Six job codes in the NCASG survey have only one other surrounding state reporting salary information
- 188 of the job codes or 25% contain data for all four surrounding states

Occupational Employment Statistics (OES)

The Bureau of Labor Statistics conducts the current employment statistics (CES) survey, collecting data each month on employment, hours, and earnings from a sample of nonagricultural establishments. The sample includes about 140,000 businesses and government agencies that cover about 440,000 individual worksites drawn from roughly 9.0 million unemployment insurance tax accounts, which represents approximately one third of all nonfarm payroll employees. The monthly sample estimates are benchmarked annually. The source of the benchmark data is the Quarterly Census of Employment and Wages Program (QCEW). The QCEW collects employment and wage data from states' unemployment insurance tax records that represent 97% of all jobs on civilian payrolls. A benchmark is constructed annually for the other 3% from alternate sources. The division used the annual benchmarked survey for Montana and the surrounding states for the most recent biennial salary survey.

Kenexa

Kenexa is a private company that has developed a large data base summarizing compensation surveys from numerous sources. Kenexa identifies and purchases current compensation surveys on targeted jobs. All surveys are published by reputable compensation data firms that adhere to the standards set by WorldatWork (formerly the American Compensation Association). Kenexa compensation consultants match job descriptions to those in the data source (purchased survey) or those generated through Kenexa's own surveys. To be published in the data base the data must be reliable, robust (meaning have a number of employees within the jobs), and current. Kenexa validates the information using Bureau of Labor and Statistics information in March of each year. Data within the Kenexa data base is refreshed once a month.

Uses of the Data

From each survey the staff examines the tasks, duties, work environment, education, licenses, certification, qualities such as analytical or communication skills, pay, and work hours to ensure that the complexity level of the surveys' occupational descriptions correlates to the levels defined under Montana's broadband classification system. This review determines the anchor point of the job occupations. Occupations such as an accountant are often placed on more than one pay band to reflect more or less complexity within the occupation and to establish pay band progression. The division uses the anchor point as the beginning measurement for various pay bands associated with the occupation.

Once the anchor point has been determined the division staff gathers average salaries for similar jobs using the specific SOC from each salary source for each state. Not all sources gather average salaries for all occupations as noted in the discussion on NCASG. However, most occupations have several different data points. Once the data points are gathered the median salary for the data is determined and used as the market midpoint for the occupation. The median salary means that half of the salaries are above the median and half are below. Using the median salary is one methodology that is considered a valid reference point in salary surveys.

Division staff then calculates the slope for the occupations in the lower and higher bands. The slope is determined using the difference between the 25th and 50th percentile of the average salary in the OES data for the lower band and the 50th and the 75th percentile for the higher band. This is used to determine the market salary for the positions in the other pay bands.

Staff then establishes the competitive pay zone for each occupation within each pay band. The width of the pay zone or range spread is the distance for the lowest (minimum) to highest (maximum) salary in the pay zone. The pay ranges are established by the division by pay band using a percentage. Figure 1 outlines the percentages currently in place for the pay ranges of the broadband pay plan.

Figure 1

Competitive Pay Zone Spreads 2014 Biennium		
Band	Band Spread	Spread on Either side of Midpoint
1	30%	13.0%
2	40%	16.7%
3	40%	16.7%
4	40%	16.7%
5	50%	20.0%
6	50%	20.0%
7	55%	21.9%
8	60%	23.1%
9	60%	23.1%

The division used a range spread of 20% of each side of the market midpoint for several years. However, based on information contained in the WorldatWork this was changed to the amounts shown in Figure 1. According to the WorldatWork, range spreads vary based on the level and sophistication of skills required for a given position. Entry-level positions that require skills that are quickly learned and quickly mastered usually have a smaller or narrower pay range than those positions that have supervisory responsibilities or positions that require skills that are developed from a high level of education and experience.

Once a pay zone is established, a determination is made to ensure that the minimum salary paid in the lower pay bands is at or above the minimum wage in Montana. This information is available for state agencies to use to establish the competitiveness of their salaries.

It should be noted that not all agencies use the most current salary survey to determine market competitiveness. A review of agency pay plans showed that:

- Department of Public Health and Human Services most recent pay plan refers to the 2010 salary survey
- Department of Military Affairs referenced the 2006 salary survey
- Department of Agriculture incorporates the 2010 salary survey for the market midpoint
- Department of Commerce provides the 2012 salary survey data for the market midpoint
- Department of Labor and Industry uses the most current salary survey data but uses 95% of the market midpoint for its market midpoint

Additional Surveys

Montana Highway Patrol

Every other year the division conducts a separate salary survey to establish the base salary for current highway patrol officers and the entry salary of new officers. The survey includes the deputy sheriff's salaries in Butte-Silverbow, Cascade, Yellowstone, Missoula, Lewis and Clark, Gallatin, Flathead, and Dawson counties. The counties were selected based on an examination of the salaries of deputy sheriffs in the counties with district offices for the Montana Highway Patrol. It was determined that in the 11 years preceding the change in statute, 62 of the 80 officers (78%) that left the Montana Highway Patrol for nonretirement purposes went to other law

enforcement agencies for higher salaries. The Department of Justice uses the information provided in the salary survey as a basis for salary adjustments in the next biennium.

House Bill 13 of the 2013 Legislature

HB 13 requires the State Human Resource Division to conduct an additional salary survey prior to the implementation of pay raises for the 2015 biennium. The bill states that it is the intent of the legislature that compensation plans for state employees be based on an analysis and comparison of the municipal and state government labor market markets in North Dakota, South Dakota, Idaho, and Wyoming as provided by the department in a biennial salary survey from the National Compensation Association of State Governments' salary survey and other information relative to the state government salaries and compensation in those states.

The State Human Resources Division conducted the required survey in June 2013. As discussed above, the use of a single survey, especially one that is not comprehensive, can result in issues with the comparability and validity to the data. The results of the survey were as follows:

- The National Compensation Association of State Governments does not include salary data from municipal governments, and the division was unable to identify a survey that does provide this information
- Less than 50% of the benchmark jobs could be matched with the salary survey information developed by the National Compensation Association of State Governments
- In one case, only one e other state had a similar job and they reported only one employee with the same position, which would make the market the amount paid this single employee in the other state
- The analysis showed that using this salary information results in an increase in the market midpoint for 118 job codes or 37% of those job codes that could be matched
- The analysis also showed a decrease in the market midpoint for 198 job codes or 63% of the job codes that were matched

The bill requires continued use of this salary survey information as part of the analysis of the determination of the competitiveness of state salaries, and that only salary information from state and municipal governments of the four surrounding states be used for one of two analyses going forward. This raises several issues:

- A source for data on municipal governments has not been identified and as such local government positions within the four surrounding states are not included
- Employers within Montana such as the federal government or private employers are not included as part of the survey but may be a large part of the relevant labor market for Montana state government
- The National Compensation Association of State Governments does not currently gather data on 58% of the salaries within the Montana broadband pay plan
- For those positions that are matched, the National Compensation Association of State Governments may not have sufficient data points for some of the job positions to be considered statistically valid

Elected Officials

By statute, elected officials and judges are exempt from the state pay plan. Their salaries are determined based on a biennial salary survey conducted by the State Human Resources Division. The survey includes the salaries of elected officials in the four surrounding states: North Dakota, South Dakota, Wyoming, and Idaho. These are averaged with the salaries of the Montana officials to determine the new salary of the elected officials. If the average is greater than the current salary, the salary can be increased. If it is less, the salary remains at the previous level.

Elected officials whose salaries are determined by this method include the:

- Governor
- Lieutenant Governor
- Attorney General
- State Auditor
- Superintendent of Public Instruction

- Public Service Commissioners
- Secretary of State
- Clerk of the Supreme Court
- Supreme Court justices, including the Chief Justice
- District Court judges

Blue Collar Classification Plan

The Blue Collar Classification Plan was started as part of a negotiated settlement with the International Brotherhood of Teamsters for employees working at the Department of Transportation. The plan has since been expanded to include 747 employees as of August 28, 2013. For a complete listing of the agencies and bargaining units utilizing the plan see Appendix A.

The plan does not use a salary survey to determine the salaries of employees under the negotiated settlements. Employees within the Blue Collar Classification Plan hold positions that are classified based on a factoring system. The positions are placed or factored into various grade levels (1-14) depending on the skill, effort, responsibility, and job conditions related to the position. For a number of years increases to the salaries outlined in the plan have been implemented by increasing each salary the same amount by hour. In the 2015 biennium a per hour increase of \$0.92 in FY 2014 and \$0.97 in FY 2015 for all employees in each grade within the plan was negotiated with the various bargaining units. This means that each employee in the blue collar classification plan received the same increase as every other employee in the plan.

Legislative Branch

The Human Resource Officer (HRO) within the Legislative Branch conducts a salary survey every biennium. The survey includes comparable positions within state legislatures in the following states:

- Oregon
- Nevada
- Colorado
- Washington
- Arizona
- Utah
- North Dakota
- South Dakota
- Idaho
- Wyoming

The states were chosen based on the similarity to the Montana Legislature, mainly that the legislators are not full-time but are considered citizen-legislators. The job descriptions and duties are examined to ensure comparability. The survey is done online. In addition, OES data is used develop a second salary source. The OES data from Arizona, Idaho, Oregon, North and South Dakota, Washington, Wyoming, and Utah are used. Data from Montana employers is also used to develop three data points. Once the salary information is gathered a cost of living adjustment is used to adjust the salaries. The costs of housing, food, utilities, transportation, and health costs in the state capitals are included. Finally, the HRO examines the salaries to look for outliers using a standard deviation of 1.5. If a salary varies by more than a standard deviation of 1.5, it is not included in the calculation of the average.

The data is averaged to establish the market midpoint. To establish the salary range a percentage of 20% from the market midpoint is used for entry and maximum salary.

Judicial Branch

Prior to the assumption of district courts in 2001 the Judicial Branch did not have a pay plan. Once the state assumed the district courts from the counties it found there were significant disparities in pay from one county to another. Since that time the branch has been working to equalize pay based on years of service and occupation.

The branch had an initial pay plan developed by the National Center for State Courts in 2003. In FY 2013 the Judicial Branch requested a pay plan study be completed by Communication and Management Services, LLC. The objectives of the study included:

- Review the Judicial Branch's current classification/compensation system to develop recommendations regarding maintaining the system or moving to another pay system
- Review the Judicial Branch's current pay ranges of employees by classification as compared to the market and provide recommendations about pay plan implementation, including consideration of funding allocated through the pay plan bill
- For recommended changes to the classification system, pay ranges, or pay plan, define options and methods of implementation. These recommendations will include long-term strategies for compensation including recommendations for implementation by Judicial Branch human resources staff

A copy of the study, currently in draft form, can be found in Appendix B.

Montana State Fund

The legislature exempted the staff of the Montana State Fund from the state pay plan requirements in 1989. The establishment of the agency's pay plan has been at the direction of the Board of Directors of the Montana State Fund since that time.

MSF's compensation program is a market based, pay for performance plan. The plan establishes an employee's initial salary using pay ranges that are based on review of individual job duties. Range placement was determined by comparing salary duties and job descriptions with those of:

- Other State Workers' Compensation Funds
- Property and casualty insurance agencies
- Local job market information

Currently MSF updates the salaries and pay ranges in conjunction with recommendations from its salary and benefit consultant, Hay Consulting Group. MSF began consulting with the Hay Consulting Group for analysis of compensation and salary setting in 2003. MSF uses three primary sources of data:

- American Association of State Compensation Insurance Funds (AASCIF) salary and benefits survey. The salary information is compared to similar agencies included in the AASCIF survey based on number of employees, annual premiums, and whether the fund is considered a part of the state government or is operating as an independent insurer
- Hay Group Compensation Report – Property and Casualty Insurance Sector
- Economic Research Institute Geographic Assessor

In addition it also has supplemental sources including:

- Local data sources for clerical/administrative jobs
- Lewis and Clark County survey, State of Montana survey, and specialty job data

The salary data collected is based on the relevant labor market for the positions within the Montana State Fund. The employment pool for clerical and administrative positions is determined to be Helena and the surrounding area. Claims examiners and underwriters are drawn at a national level as insurance companies throughout the United States require skilled individuals in these positions within their organizations. For other positions such as accountants or lawyers, a regional area including Montana is seen as the relevant labor market.

Once the employee's initial salary is established, the salary only moves due to awards made for performance ratings. The MSF has developed a "balanced score card" to determine which employees will receive performance increases in any given year. 50% of the ratings are based on what the employee does and the other 50% is based on how they do it. For example, a customer service representative may have performance measurements such as how many times a phone rings before it is answered and how many calls they answer each day, which is considered what the employee does. In addition, they are measured on how well they interact

with the caller or how they do their job. The combination of the two components determines an employee's overall rating.

Montana State Fund includes a budget category of merit pay increases in the budget approved by the board of directors. MSF performance increases must stay within the budgeted amount. If the MSF has a number of high performers in any given year, the fixed budget amount can result in salary compression.

Considerations for Legislative Changes

The legislature may wish to consider changes in the following two general areas: 1) relevant labor markets; and 2) comparable methodologies and current data.

Relevant Labor Markets

A central question for Montana as an employer is what compensation should be offered to attract and retain qualified employees in the employment marketplace of Montana and the surrounding region. Best practices make it clear that knowing the organization's relevant labor market is key in selecting and participating in the right salary surveys and in determining salaries that are competitive but not excessive. With the possible exceptions of the Montana Highway Patrol and the Montana State Fund, it does not appear that the relevant labor markets for the various positions within the Montana state government have been clearly identified. Not knowing which employers the state is competing with for employees raises the question as to whether the salary comparisons are valid. One tool that is used to determine a relevant labor market is an exit interview, which can establish the reason employees are leaving including those that are attracted by higher salaries with other employers, where they are going, and who the hiring employer may be.

The Legislative Finance Committee may wish to request that the State Human Resource Division furnish a report using exit interviews conducted with all nonretiring employees from October 2013 through June 2014 at its September 2014 meeting. Because DOA concurred with the LFC recommendation to collect data from exit interviews on why employees are leaving state government a year ago, DOA should have established a process to collect this information. The report should include the reason the employee left state government employ and the subsequent employer and position that employee switched to from state employment. This would allow for a determination of the relevant labor market for state government positions during this time period and could allow the LFC to request legislation, if necessary, to include salary information from these employers in future comparative surveys.

Use of Comparable Methodologies and Current Data

Examination of the methodologies used in development of salary survey showed differences that can influence the comparability of the results between agencies and branches of the state government. In addition to identification of the relevant labor market, the Legislative Finance Committee may wish to further outline the methodology used for salary surveys conducted by state agencies. Areas for consideration include:

- Use of salary surveys for all branches of state government, including the Judicial Branch, based on relevant labor markets for the occupations within the various pay plans
- Changing current statute amended by HB 13 of the 2013 Legislature to ensure the State Human Resources Division is able to follow best practices related to the use of relevant labor markets. The requirement that a separate survey using the National Compensation Association of State Governments' as the basis may provide data that is not statistically valid for some occupations. In addition, for over half of the occupations within Montana state government the survey cannot be used. The LFC may wish to consider broadening the requirement to include other state governments rather than the four outlined in statute or to include federal and local government positions in Montana. Also the LFC may wish to eliminate the reference to municipal governments as a survey of these positions in the states required does not appear to exist
- Inclusion of adjustments for the variability of the costs of housing, food, utilities, transportation, and health costs as part of the development of the market midpoint salaries to ensure differences between locations are considered

- Identification of outliers and the inclusion or exclusion of the outlier data in the development of market midpoint salaries
- Further guidance on the process used for the development of the salary range, such as should the range be established by using a set percentage for all pay bands as is done by the Legislative Branch, or variable percentages depending on the pay band as is done for the broadband pay plan
- Requirement to use the most recent salary survey developed by the State Human Resources Division as the market used in state agency pay plans and a requirement that state agencies use the market midpoint developed by the State Human Resources Division in the state agency pay plans rather than an alternate market midpoint or percentage of the current market to ensure consistency among agencies

DATA USED IN THE BUDGET DEVELOPMENT PROCESS

For most state agencies and state government as a whole, the costs of employment, referred to in the state’s budget as personal services, are a significant portion of the budget. Personal services include the costs of salary and benefits provided to the employees.

The determination of the costs of personal services included in the Governor’s budget begins with the personal services snapshot, which is taken in July of the second year of the biennium. The snapshot is taken from the State Accounting, Budgeting, and Human Resource System (SABHRS) and loaded into the Montana Budgeting and Reporting System (MBARS). See Appendix C for the attributes that are captured and loaded into MBARS. Using the data from this time period captures all changes in the base hourly rates of positions that were changed in the first year of the biennium (base year), regardless of the type of change or the date the changes occurred (The snapshot also includes any changes in benefits such as FICA or legislatively adopted health insurance contributions.) Because the snapshot assumes the positions will be filled for the entire year, regardless of whether there were any vacancies during the base year, it also replaces all vacancy savings experienced (a separate adjustment is made to apply vacancy savings).

Once the salary information is downloaded, the Office of Budget and Program Planning (OBPP) allows for limited adjustments such as training assignments or career ladders and vacant position starting salaries (see Appendix C for a listing of the adjustments). Following the verification of adjustments, the position budgets are then loaded into MBARS. MBARS uses the attributes as of the July snapshot to calculate the salary, longevity, and benefits of each position based on the number of work hours each year the upcoming biennium. This allows the agency to “build” the cost of the employee for the new biennium, recognizing additional (or reduced) personal services costs no matter the circumstances that generated them.

Once the salary and benefit costs for each position is determined, the projected budget for each program is determined and funded. The information on the changes from the base budget for personal services associated with HB 2 is included in the statewide present law adjustment (SWPLA) along with changes for inflation/deflation and fixed costs. The various changes to salaries and benefits and replacement of any vacancy savings for each position within the program are “lumped” together into a single number for each fiscal year. The costs included in the personal services component of the SWPLA is the difference between the costs for personal services, both salaries and benefits, spent in the base budget and the costs determined through the personal services snapshot. It should be noted that per diem salary costs and overtime are eliminated from the calculations and must be approved through a separate decision package.

Considerations for Legislative Changes

As discussed in the report on the new IBARS system, the legislature has the opportunity to examine the cost changes included in the SWPLA. OBPP has agreed to split the SWPLA into three separate decisions, including one for personal services. However, the LFC may wish to consider recommendations for further breaking down the decision package for personal services. The LFC may wish to recommend that the Legislative Fiscal Division staff develop a proposal to provide additional decision packages for personal services included in the SWPLA.

In addition, the Legislative Finance Committee may wish to recommend a consistent methodology for the calculation of the cost of vacant positions that are included in the budget. As shown in Appendix C, the costs vary by pay plan, from 75% of the market rate survey (less than entry rate) to the maximum rate for each grade. Using a consistent methodology ensures that state agencies receive comparable funding for vacant positions.

APPENDIX A

AGENCIES AND BARGAINING UNITS UTILIZING THE BLUE COLLAR PAY PLAN

Montana Department of Transportation

American Federation of State, County, and Municipal Employees
Public Employees Craft Council

Department of Corrections

Montana State Prison Craft Council

Department of Military Affairs

International Brotherhood of Teamsters (2 agreements)

Department of Public Health and Human Services

Montana Developmental Center Craft Council
Warm Springs Craft Council

Department of Administration

Capitol Complex Craft Council

Department of Revenue

Montana Public Employees Association

Department of Natural Resources

International Association of Machinists

APPENDIX B – 2013 PAY PLAN STUDY FOR THE MONTANA JUDICIAL BRANCH



Beth McLaughlin
Office of the Court Administrator
301 South Park
Helena, MT 59620-3002

Dear Beth:

Communication & Management Services, LLC (CMS) is pleased to present this *2013 Pay Plan Study for the Montana Judicial Branch*. The study occurred in May, June, and July of 2013. The objectives of the study and attached report are to review the Judicial Branch's current classification/compensation system to develop recommendations regarding maintaining the system or moving to another pay system; review the Judicial Branch's current pay ranges of employees by classification as compared to the market and provide recommendations about pay plan implementation, including consideration of funding allocated through the pay plan bill; and to define options and methods of implementation for changes to the pay ranges and pay plan.

In addition to the Executive and Legislative branches, the study includes employment wage information from salary data sources such as Occupational and Employment Statistics and the National Compensation Survey.

The attached *2013 Pay Plan Study for the Montana Judicial Branch* includes:

- An overview of the study methodology and data sources,
- A review of the Judicial Branch's current classification/compensation system,
- A summary of findings relative to the Judicial Branch's competitive position,
- Detailed wage information for the forty-five (45) titles included in the study,
- Recommendations about pay plan implementation, including consideration of funding allocated through the pay plan bill, and
- Options and methods of implementation for changes to the pay ranges and pay plan. These recommendations will include long-term strategies for compensation including recommendations for implementation by Judicial Branch Human Resources staff.

This information will serve as a valuable reference for managing compensation and for budget planning processes. If you have any questions regarding the study, or would like additional information, please contact me at 406-442-4934 or jkerins@mt.net. Thank you for the opportunity to work with you on this project.

Sincerely,

Jim Kerins
Managing Consultant
Communication & Management Services, LLC



2013 Pay Plan Study for the Montana Judicial Branch

CMS

Communication and Management Services, LLC

P.O. Box 1251 Helena, MT 59624-1251

406-442-4934

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I. Introduction

The Judicial Branch hired Communication and Management Services, LLC (CMS) to conduct a review and assessment of the Branch's current classification and pay plan, including the competitive position of selected titles. The objectives for the study included:

1. Review the Judicial Branch's current classification/compensation system to develop recommendations regarding maintaining the system or moving to another pay system.
2. Review the Judicial Branch's current pay ranges of employees by classification as compared to the market and provide recommendations about pay plan implementation, including consideration of funding allocated through the pay plan bill.
3. For recommend changes to the classification system, pay ranges, or pay plan, define options and methods of implementation. These recommendations will include long-term strategies for compensation including recommendations for implementation by Judicial Branch Human Resources staff.

This report provides recommendations for a classification and compensation structure that is consistent with regard to internal equity, provides external parity, and is easy to administer over time. The goal is for the system to enhance the Judicial branch's ability to attract, motivate, and retain quality employees to efficiently and cost-effectively deliver services and programs to the citizens of the State of Montana.

II. Study Methodology & Scope

CMS evaluated the Judicial Branch's current classification system developed by the National Center for State Courts (NCSC) in relation to the business needs of the Judicial Branch and current best practices in classification and pay. This review indicates that the basic framework and classification criteria provide by the existing system are appropriate for the Judicial Branch, and that Judicial Branch Human Resources staff can effectively maintain the system until such time as the branch determines that a different classification system is appropriate. *Section III., Classification System* provides further detail regarding this analysis and recommendations regarding the maintenance of the existing system and/or the implementation of a new system in the future.

Communication and Management Services, LLC (CMS) conducted a pay study of selected Judicial Branch titles using data sources including the State of Montana

Executive and Legislative Branches, state and national Occupational Employment Statistics, and the National Compensation Survey.

CMS evaluated selected Judicial Branch position to determine an appropriate match from the existing data sources, and compiled this information to determine an overall average wage estimate for the position. The evaluations included review of the job descriptions.

The study compares the overall average wage estimate to the actual pay of the employee in the position to determine their current pay relationship to the market (which is determined by dividing the employee's actual pay by the market pay rate to determine what percent of market the employee's pay represents). The wage estimates will also serve as the basis for recommending pay ranges for Judicial Branch positions (i.e., establishing a formal entry, mid-point, and maximum pay rate for each position).

A. Data Sources

CMS used the following data sources to conduct the 2013 Judicial Branch Pay Study:

State of Montana Executive and Legislative Branches

The study considered the actual average total pay of State of Montana Executive and Legislative Branch employees that perform work similar to the Judicial Branch positions. The Executive Branch information is from a State of Montana Payroll Frequency Report run in July 2013. The Legislative Branch information is from a payroll report prepared by the Branch Human Resource Manager in July 2013.

OES – Montana

The data show the hourly mean wage paid to individuals working in the job title for all employers within the State of Montana. The Montana OES data is from May 2012.

OES – National – State Government, excluding schools and hospitals

The study includes national Occupational and Employment Statistics (OES) hourly mean wage data for North American Industry Classification System (NAICS) OES designation NAICS 999200. These national industry-specific occupational employment and wage estimates are calculated with data collected from employers of all sizes, in metropolitan and non-metropolitan areas in every state and the District of Columbia, in State Government, excluding schools and hospitals. The National OES data is from May 2012

National Compensation Survey - U.S. Department of Labor, Bureau of Labor Statistics (BLS).

The National Compensation Survey (NCS) is a BLS establishment survey of employee salaries, wages, and benefits. The survey is designed to produce data at local levels, within broad regions, and nationwide. The NCS provides comprehensive measures of occupational earnings, employment cost trends and benefit incidence and detailed benefit provisions. NCS wage estimates are adjusted to reflect the level of responsibility of the position under study. CMS used data from the Mountain Census Division in order to provide for greater data input than regionalized data for only Billings or Great Falls. In addition, NCS data for this series is only recent as of 2010; CMS used the Consumer Price Index (CPI) inflation rate from the Bureau of Labor Statistics to calculate the data in 2013 dollars using a percentage increase of 6.8% for all positions.

Regional Judicial Branches

CMS also recommends that the Montana Judicial Branch collect and consider pay data from Regional Judicial Branches in the ongoing assessment and updating of its pay rates and ranges. Due to time limitations associated with this study, this regional data is not included in the analysis. However, CMS is providing its market analysis spreadsheet so that Judicial Branch human resources staff can easily update the Executive and Legislative Branch, OES, and NCS data, and include the regional data as it becomes available.

B. Scope

The 2013 Pay Study included the following forty-five (45) Judicial Branch positions:

Job Code	Judicial Title	Location	Judicial Grade
JUD102	Office Assistant II	General Clerical	6
JUD103	Office Assistant III	General Clerical	8
JUD105	Office Supervisor	General Clerical	13
JUD107	Office Administrator	General Clerical	14
JUD110	Financial Specialist	Fiscal	9
JUD111	Accounting Supervisor	Fiscal	14
JUD120	Judicial Administrative Assistant I	District Court	14
JUD121	Judicial Administrative Assistant II	Supreme Court	17
JUD122	Judicial Administrative Assistant III	Supreme Court	18
JUD205	District Court Adm. Coordinator	Court Administration	20
JUD209	District Court Administrator	Court Administration	25
JUD301	Official Court Reporter – Electronic	Court Reporting	17
JUD302	Official Court Reporter – Steno	Court Reporting	17
JUD303	Official Court Reporter – Realtime	Court Reporting	18
JUD501	Chief Juvenile Probation Officer I	Juvenile Probation, Family Court and Youth Services	19
JUD502	Chief Juvenile Probation Officer II	Juvenile Probation, Family Court and Youth Services	21
JUD503	Chief Juvenile Probation Officer III	Juvenile Probation, Family Court and Youth Services	23
JUD507	Deputy Juvenile Probation Officer I (JPO I)	Juvenile Probation, Family Court and Youth Services	16
JUD508	Deputy Juvenile Probation Officer II (JPO II)	Juvenile Probation, Family Court and Youth Services	17
JUD509	Deputy Juvenile Probation Officer III (JPO III)	Juvenile Probation, Family Court and Youth Services	20
JUD510	Probation Program Assistant	Juvenile Probation, Family Court and Youth Services	8
JUD512	Community Programs Specialist	Juvenile Probation, Family Court and Youth Services	14
JUD514	Comm. Supervision Program Super.	Juvenile Probation, Family Court and Youth Services	17
JUD516	Community Supervision Officer	Juvenile Probation, Family Court and Youth Services	12
JUD601	Law Clerk I	Legal Services	17
JUD602	Law Clerk II (1st yr Supr.)	Legal Services	19

Job Code	Judicial Title	Location	Judicial Grade
JUD603	Senior Law Clerk	Legal Services	22
JUD604	Pro Bono Coordinator	Legal Services	17
JUD606	Self Help Law Administrator	Legal Services	17
JUD609	Standing Master	Legal Services	27
JUD611	Water Master - w/c 8744	Legal Services	25
JUD613	Senior Water Master - w/c 8744	Legal Services	27
JUD702	Director of Court Services	General Administration	27
JUD703	Director of IT	General Administration	29
JUD704	Director of Budget and Finance	General Administration	27
JUD709	CAP Program Coordinator	General Administration	17
JUD720	Judicial Education Coordinator	General Administration	21
JUD722	Accounting & Fiscal Policy Analyst	General Administration	20
JUD725	District Court Program Manager	General Administration	23
JUD730	Human Resource Specialist	General Administration	14
JUD801	IT Support Specialist I	Information Technology	14
JUD802	IT Support Specialist II	Information Technology	18
JUD805	Information System Analyst	Information Technology	23
JUD809	IT Support Specialist II Supervisor	Information Technology	24
JUD810	IT Support Specialist I Training Super.	Information Technology	20

III. Classification System

CMS reviewed the Judicial Branch's current classification/compensation system to develop recommendations regarding maintaining the system or moving to another pay system.

The National Center for State Courts (NCSC) developed the current classification system for the Montana Judicial Branch in May 2002. The NCSC completed the plan by having affected employees complete position questionnaires. According to the NCSC report, "The questionnaires sought information on detailed job duties, supervisory and reporting relationships, and equipment used. Supervisors were requested to review the employee responses and comment, but not change responses."

The NCSC then used the information to develop organizational charts and conducted interviews with a representative sample of employees. Based on the questionnaires and additional information, the NCSC develop a final class structure which contained written job specifications for sixty-two (62) different job classifications. The class structure brought together similar positions into a single group or class for which NCSC used the same title. In determining the grade of classes and assigning positions to classes a NCSC used a number of classification factors including:

1. The subject matter, function, profession, and occupation represented
2. The difficulty and complexity of the duties
 - a. Status and nature of work when presented to the employee
 - b. Process or procedures carried out
 - c. Control of work by others
 - d. Variety and scope of work
3. Important non-supervisory responsibilities
 - a. Reviewing the work of others
 - b. Independence of action or decisions
 - c. The custody of money, securities, or other things of special value
 - d. Responsibility for accuracy
 - e. Other non-supervisory responsibilities
4. Supervisory and Administrative Responsibilities
 - a. Nature and extent of supervision exercised of the work of other employees
 - b. Level of work
 - c. Manner of exercising supervision

Strengths of the existing classification methodology:

Following are the existing strengths and merits of the current classification methodology.

- The classification factors used by NCSC are job-related and appear to measure what they purport to measure (valid), and they appear to produce stable and consistent results (reliable). They also appear to provide cross-occupational equity in job evaluation, and to facilitate compliance with equal pay for equal work requirements.
- The system provides discrete classification distinctions based on job content (i.e., jobs with increasing levels of responsibility are appropriately segregating into different grades).
- In discussing the business needs of the Judicial Branch with the current Court Administrator (Beth McLaughlin), she indicated that the current classification system and current ranking of positions within the classification system appears appropriate and to be meeting the business needs of the Branch. Ms. McLaughlin indicated that the branch has made some market-based adjustments since system implementation (e.g. a number of market-based adjustments in 2007).

Concerns with the existing classification methodology:

Following are concerns with and potential weaknesses of the current classification methodology.

- The system has a high number of classification factors. Once the occupation is determined there are essentially twelve (12) classification criteria to consider when ranking positions. Contemporary classification systems can provide precise job-ranking with fewer (e.g. five to seven) classification or pay factors.
- Some of the classification factors are redundant (e.g., “control of work by others” measures similar or the same job aspects as “independence of action or decisions”).
- Some of the classification factors (e.g., the custody of money, securities, or other things of special value) are not particularly relevant to the Judicial Branch’s business operations or organizational values.
- There may not be adequate documentation of how the current class specification grades were determined, which may make the system difficult to maintain in the future (i.e., without specific documentation of how grades were determined for existing class specifications, it may be difficult for the branch to assess changes in positions or new positions for classification purposes).

Options: Class Specification, Point-Factoring or Broadband System?

Following is a list of considerations for the Montana Judicial Branch in determining whether to keep its current class specification classification system or move to more contemporary point-factoring or broadband system.

- Ms. McLaughlin indicated that the Branch will likely not have the resources to devote to maintaining a market-based system that requires conducting market surveys and adjusting ranges every two years. However, the Branch has hired a Human Resources Officer that can work on maintaining the classification and compensation system. Ms. McLaughlin indicated that a performance-based pay system is probably not feasible for the Judicial Branch since many of its supervisors and managers (e.g., District Court Judges) will not have time to devote to maintaining a precise performance management and measurement system.
- A point-factoring or class specification system with a higher number of grades based on job content is likely more appropriate than a broadband system with fewer pay bands (with pay within the bands based on market, employee competency, or performance). A more precise job-content based classification system will maintain cross-occupational consistency in wages, and require fewer resources to maintain than a market or performance-based pay system for the branch.
- The existing class specification plan appears adequate given the current business needs of the Judicial Branch, but as stated earlier, there are some concerns (e.g., opportunities to streamline or simplify the system) the branch could address by updating the plan.
- There are elements of market-based pay in existing plan, but overall, the emphasis is on internal and cross-occupational equity, which appears to be a major component of the branch compensation philosophy.
- A broadband plan would be consistent with the Executive and Legislative Branches and would allow the Judicial Branch more flexibility in tailoring pay rates and ranges to accommodate market and performance-based pay plans.
- A broadband plan will require the maintenance and regular (e.g. biennial) review of market rates and ranges to ensure they are competitive and reflect the labor market, which can be time intensive.
- The Judicial Branch should update its Classification and Classification Reviews Policy (400) to reflect and support the classification system adopted as a result of the study.

Assessing and updating pay rates and ranges in consideration of the market

In addition to determining an appropriate classification system, the Judicial Branch needs to determine and implement appropriate pay ranges associated with the assigned classification grades (or broadband levels). Following are some considerations and recommendations related to the updating and maintenance of a Judicial Branch Pay Matrix.

- Regardless of the type of classification plan implemented, the Judicial Branch should ensure a consistent methodology for assessing the market from period to period to ensure changes in reported market rates and ranges are the result of actual changes in the labor market and are not due to a change in methodology.
- Typically, public sector employers cannot be immediately responsive to changes in the market in that they typically do not reduce pay when the market rate for a particular occupation goes down, but may be required to increase pay rates when the market for a particular occupation goes up. A pay plan that is heavily weighted on market pricing may not be practical for a public sector employer.
- In updating the Judicial Branch pay rates and ranges, there are a couple of issues the Branch should address. These include:
 - Ensuring that the pay matrix and classification system groups positions with similar market rates into similar grades and that the mid-point or market rate approximates the actual market for these positions.
 - Ensuring the pay matrix provides a logical and symmetrical horizontal range (i.e., the mid, mid and max rates are a similar distance apart); and that the matrix provides a consistent vertical progression (i.e., there is a consistent increase in pay from grade to grade as you move up the matrix).
 - Ensure the Branch Pay Plan Policy (401) adequately supports the branch compensation philosophy and aligns with the pay matrix.

Recommendations for the short term:

In the short term, it appears Judicial Branch Human Resources staff can maintain the existing classification system until such time as the branch determines that a different classification system is appropriate, contingent on the following recommendations:

- The branch should attain, from NCSC, the scoring of each class specification under the classification plan implemented in 2002. The Branch Human Resources Officer should review the individual scoring of each position on each classification factor to ensure it is appropriate and to identify any classifications that should be changed given changes to job duties in the past decade.

- Incumbent employees, their supervisors and the Human Resources Officer should review and update job descriptions where appropriate (most branch job descriptions are a decade old). This review and update should include the development of current and accurate task and duties statements as well as a more definitive documentation of the required knowledge, skills and abilities as well as the qualifications (education and experience) required of the positions. Any position description reflecting a significant change in duties, responsibilities, supervisory or administrative roles should undergo reevaluation under the classification methodology to determine if a change in classification is appropriate.

The branch should define and document its compensation philosophy. Once this is articulated, the Branch should evaluate the considerations above in relation to its' compensation philosophy to determine what type of classification system will best meet its needs in the future.

IV. Pay/Competitive Position Findings

As described in section II., *Study Methodology and Scope*, Communication and Management Services, LLC (CMS) conducted a pay study of selected Judicial Branch titles using data sources including the State of Montana Executive and Legislative Branches, state and national Occupational Employment Statistics, and the National Compensation Survey.

This study involved the evaluation of Judicial Branch position descriptions to determine an appropriate match from the existing data sources, and the compilation of this information to determine an overall average wage estimate for the position. The study compares the overall average wage estimate to the actual average pay of the employee(s) in the position to determine their current pay relationship to the market. The “Percent Difference” is determined by subtracting the actual pay from the market rate and dividing this product by the employee’s actual pay to determine the percent difference between the employee’s actual pay and the market rate for that position.

A list of reports following this section is below:

- Judicial Branch Compared to Executive and Legislative Branches - by Judicial Code.
- Judicial Branch Compared to Executive and Legislative Branches - by Percent Difference.
- Judicial Branch Compared to Occupational Employment Statistics (OES) and National Compensation Survey (NCS) - by Judicial Code.
- Judicial Branch Compared to Occupational Employment Statistics (OES) and National Compensation Survey (NCS) - by Percent Difference.
- Judicial Branch Compared to all data sources overall - by Judicial Code.
- Judicial Branch Compared to all data sources overall - by Percent Difference.

The majority of Judicial Branch pay rates for positions included in the study are behind the prevailing market rates. The distance behind the market varies both by occupation and by position level, and does not appear to be limited to any specific occupational grouping or grade.

The positions furthest behind the market include Law Clerks, Administrative Support, Information Technology, and Program Coordinator positions. The Branch is closer to or comparable to the market in the Probation Officer and some Managerial and Administrative Professional occupations.

Highlights of the attached reports include:

- The overall average salaries for Judicial Branch positions included in the study are 17.44% behind the averages from all data sources.
- The average salaries for Judicial Branch positions are approximately 10.1% below their counterparts in the Executive Branch.

- The average salaries for Judicial Branch positions are approximately 23.4% below their counterparts in the Legislative Branch.
- The average salaries for Judicial Branch positions are approximately 18.4% below the OES Montana (all employers in Montana), OES National (all state governments in the nation) and NCS wage estimates.

In addition to the following market comparison data, the Judicial Branch should consider the following factors when determining appropriate pay adjustments:

- Ensuring equal pay for equal work (i.e., ensuring pay parity across occupations regardless of the predominant gender represented in that occupation).
- Assessing recruitment and retention experience.
- Ability to pay.
- Balancing the need to provide cost-of-living (i.e., across the board) pay increases and increasing the pay matrix with ensuring the pay rates for individual occupations are market competitive. Including target market ratio advancements in the plan in addition to the 4% and 3% that is currently on the table (i.e., in addition to giving across-the-board raises, the Branch should consider an appropriation for moving people toward the mid-point based on their years of service).
- Identification of specific positions/occupations that are a priority for pay adjustments.

[CMS will refine and expand this section after the meeting with Beth and Sarah].

Judicial Branch Compared to Executive and Legislative Branches (by Judicial Code)

Judicial Code	Judicial Title	Avg. Judicial Total Pay	Exec. Code	Executive Title	Avg. Executive Total Pay	% Difference (Judicial vs. Executive)	Legislative Title	Avg. Legislative Total Pay	% Difference (Judicial vs. Legislative)
JUD102	Office Assistant II	\$11.39	436113	Administrative Assistant	\$13.42	-17.82%	Legislative Secretary I	13.20	-15.93%
JUD103	Office Assistant III	\$13.11	436114	Administrative Assistant	\$15.89	-21.21%	Legislative Secretary II	15.84	-20.83%
JUD105	Office Supervisor	\$18.19	431214	Administrative Support Supervisor	\$18.19	0.00%	Administrative Support Supervisor	18.64	-2.46%
JUD107	Office Administrator	\$19.50	131915	Administrative Specialist	\$19.29	1.08%	Administrative Support Supervisor	18.64	4.43%
JUD110	Financial Specialist	\$13.77	433314	Accounting Technician	\$15.63	-13.51%	Accounting Specialist	17.16	-24.61%
JUD111	Accounting Supervisor	\$22.87	132116	Accountant	\$23.33	-2.01%	Fiscal Support Manager	21.28	6.93%
JUD120	Judicial Administrative Assistant I	\$16.94	232115	Paralegal	\$19.94	-17.71%	Staff Assistant	26.16	-54.45%
JUD121	Judicial Administrative Assistant II	\$17.23	232116	Paralegal	\$21.82	-26.64%	Research Analyst I	26.23	-52.26%
JUD122	Judicial Administrative Assistant III	\$22.25	232116	Paralegal	\$21.82	1.93%	Research Analyst I	26.23	-17.91%
JUD205	District Court Adm. Coordinator	\$27.21	131916	Administrative Specialist	\$24.41	10.29%	Legislative Communications Officer	31.16	-14.52%
JUD209	District Court Administrator	\$27.01	111917	Program Manager	\$32.96	-22.03%	No match		
JUD301	Official Court Reporter - Electronic	\$20.03	232116	Paralegal	\$21.82	-8.94%	Legislative Technical Editor II	26.36	-31.59%
JUD302	Official Court Reporter - Steno	\$21.32	232116	Paralegal	\$21.82	-2.35%	Legislative Technical Editor II	26.36	-23.63%
JUD303	Official Court Reporter - Realtime	\$22.04	232116	Paralegal	\$21.82	1.00%	Legislative Technical Editor II	26.36	-19.59%
JUD501	Chief Juvenile Probation Officer I	\$22.66	119916	Social Community Svc Mgr	\$28.02	-23.65%	No match		
JUD502	Chief Juvenile Probation Officer II	\$25.60	119916	Social Community Svc Mgr	\$28.02	-9.45%	No match		
JUD503	Chief Juvenile Probation Officer III	\$28.71	119917	Social Community Svc Mgr	\$31.88	-11.04%	No match		
JUD507	Deputy Juvenile Probation Officer I (JPO I)	\$19.62	211816	Probation Parole Officer	\$21.15	-7.80%	No match		
JUD508	Deputy Juvenile Probation Officer II (JPO II)	\$23.55	211816	Probation Parole Officer	\$21.15	10.19%	No match		
JUD509	Deputy Juvenile Probation Officer III (JPO III)	\$30.64	119916	Social Community Svc Mgr	\$28.02	8.55%	No match		

Judicial Branch Compared to Executive and Legislative Branches (by Judicial Code)

Judicial Code	Judicial Title	Avg. Judicial Total Pay	Exec. Code	Executive Title	Avg. Executive Total Pay	% Difference (Judicial vs. Executive)	Legislative Title	Avg. Legislative Total Pay	% Difference (Judicial vs. Legislative)
JUD514	Comm. Supervision Program Super.	\$25.85	211816	Probation Parole Officer	\$21.15	18.18%	No match		
JUD516	Community Supervision Officer	\$13.53	211855	Correctional Treatment Spec.	\$17.90	-32.30%	No match		
JUD601	Law Clerk I	\$20.10	231116	Lawyer	\$31.25	-55.47%	Legislative Attorney I	29.24	-45.46%
JUD602	Law Clerk II (1st yr Supr.)	\$20.86	231116	Lawyer	\$31.25	-49.81%	Legislative Attorney II	34.52	-65.49%
JUD603	Senior Law Clerk	\$25.52	231117	Lawyer	\$30.24	-18.50%	Legislative Attorney III	43.10	-68.90%
JUD604	Pro Bono Coordinator	\$20.92	131236	Program Specialist	\$23.43	-12.00%	Research Analyst I	26.23	-25.40%
JUD606	Self Help Law Administrator	\$19.56	131236	Program Specialist	\$23.43	-19.79%	Research Analyst I	26.23	-34.12%
JUD609	Standing Master	\$34.02	231218	Administrative Law Judge	\$37.25	-9.49%	Legislative Attorney III	43.10	-26.70%
JUD611	Water Master - w/c 8744	\$27.68	231217	Administrative Law Judge	\$30.70	-10.91%	Legislative Attorney II	34.52	-24.72%
JUD613	Senior Water Master - w/c 8744	\$37.22	231218	Administrative Law Judge	\$37.25	-0.08%	Legislative Attorney III	43.10	-15.80%
JUD702	Director of Court Services	\$34.58	111217	Operations Manager	\$38.20	-10.47%	Research Director	54.58	-57.85%
JUD703	Director of IT	\$36.76	111218	Computer Information Sys Mgr	\$44.81	-21.90%	Computer Systems Manager	49.91	-35.78%
JUD704	Director of Budget and Finance	\$39.41	113317	Financial Manager	\$35.79	9.19%	Financial Services Manager	28.34	28.10%
JUD709	CAP Program Coordinator	\$22.84	131236	Program Specialist	\$23.43	-2.58%	Research Analyst I	26.23	-14.86%
JUD720	Judicial Education Coordinator	\$24.79	259316	Instructional Coordinator	\$23.29	6.05%	Legislative Comm. Officer	31.16	-25.70%
JUD722	Accounting & Fiscal Policy Analyst	\$26.61	132916	Financial Specialist	\$23.37	12.18%	Financial Services Manager	28.34	-6.48%
JUD725	District Court Program Manager	\$32.62	111917	Program Manager	\$32.96	-1.04%	No match		
JUD730	Human Resource Specialist	\$22.62	131775	Human Resource Specialist	\$19.11	15.52%	Human Resource Specialist	20.37	9.96%
JUD801	IT Support Specialist I	\$18.34	151415	Computer Support Specialist	\$20.89	-13.90%	Computer Support Specialist	18.80	-2.48%
JUD802	IT Support Specialist II	\$19.07	151416	Computer Support Specialist	\$24.45	-28.21%	Network Administrator	27.30	-43.17%
JUD805	Information System Analyst	\$24.18	151516	Computer Systems Analyst	\$27.48	-13.65%	IT Advisor/Systems Analyst	34.14	-41.18%
JUD809	IT Support Specialist II Supervisor	\$26.90	151516	Computer Systems Analyst	\$27.48	-2.16%	Programmer Analyst II*	27.56	-2.46%
JUD810	IT Support Specialist I Training Super.	\$25.45	151516	Computer Systems Analyst	\$27.48	-7.98%	Programmer Analyst II*	27.56	-8.30%
OVERALL PERCENT OF EXECUTIVE						-10.09%	OVERALL PERCENT OF LEGISLATIVE		-23.43%

Judicial Branch Compared to Executive Branch (by Percent Difference)

Judicial Code	Judicial Title	Avg. Judicial Total Pay	Exec. Code	Executive Title	Avg. Executive Total Pay	% Difference (Judicial vs. Executive)
JUD601	Law Clerk I	\$20.10	231116	Lawyer	\$31.25	-55.47%
JUD602	Law Clerk II (1st yr Supr.)	\$20.86	231116	Lawyer	\$31.25	-49.81%
JUD516	Community Supervision Officer	\$13.53	211855	Correctional Treatment Specialist	\$17.90	-32.30%
JUD512	Community Programs Specialist	\$13.58	211855	Correctional Treatment Specialist	\$17.90	-31.81%
JUD802	IT Support Specialist II	\$19.07	151416	Computer Support Specialist	\$24.45	-28.21%
JUD121	Judicial Administrative Assistant II	\$17.23	232116	Paralegal	\$21.82	-26.64%
JUD501	Chief Juvenile Probation Officer I	\$22.66	119916	Social Community Svc Mgr	\$28.02	-23.65%
JUD209	District Court Administrator	\$27.01	111917	Program Manager	\$32.96	-22.03%
JUD510	Probation Program Assistant	\$11.50	211234	Social Services Technician	\$14.03	-22.00%
JUD703	Director of IT	\$36.76	111218	Computer Information Sys Mgr	\$44.81	-21.90%
JUD103	Office Assistant III	\$13.11	436114	Administrative Assistant	\$15.89	-21.21%
JUD606	Self Help Law Administrator	\$19.56	131236	Program Specialist	\$23.43	-19.79%
JUD603	Senior Law Clerk	\$25.52	231117	Lawyer	\$30.24	-18.50%
JUD102	Office Assistant II	\$11.39	436113	Administrative Assistant	\$13.42	-17.82%
JUD120	Judicial Administrative Assistant I	\$16.94	232115	Paralegal	\$19.94	-17.71%
JUD801	IT Support Specialist I	\$18.34	151415	Computer Support Specialist	\$20.89	-13.90%
JUD805	Information System Analyst	\$24.18	151516	Computer Systems Analyst	\$27.48	-13.65%
JUD110	Financial Specialist	\$13.77	433314	Accounting Technician	\$15.63	-13.51%
JUD604	Pro Bono Coordinator	\$20.92	131236	Program Specialist	\$23.43	-12.00%
JUD503	Chief Juvenile Probation Officer III	\$28.71	119917	Social Community Svc Mgr	\$31.88	-11.04%
JUD611	Water Master - w/c 8744	\$27.68	231217	Administrative Law Judge	\$30.70	-10.91%
JUD702	Director of Court Services	\$34.58	111217	Operations Manager	\$38.20	-10.47%
JUD609	Standing Master	\$34.02	231218	Administrative Law Judge	\$37.25	-9.49%

Judicial Branch Compared to Executive Branch (by Percent Difference)

Judicial Code	Judicial Title	Avg. Judicial Total Pay	Exec. Code	Executive Title	Avg. Executive Total Pay	% Difference (Judicial vs. Executive)
JUD502	Chief Juvenile Probation Officer II	\$25.60	119916	Social Community Svc Mgr	\$28.02	-9.45%
JUD301	Official Court Reporter - Electronic	\$20.03	232116	Paralegal	\$21.82	-8.94%
JUD810	IT Support Specialist I Training Super.	\$25.45	151516	Computer Systems Analyst	\$27.48	-7.98%
JUD507	Deputy Juvenile Probation Officer I (JPO I)	\$19.62	211816	Probation Parole Officer	\$21.15	-7.80%
JUD709	CAP Program Coordinator	\$22.84	131236	Program Specialist	\$23.43	-2.58%
JUD302	Official Court Reporter - Steno	\$21.32	232116	Paralegal	\$21.82	-2.35%
JUD809	IT Support Specialist II Supervisor	\$26.90	151516	Computer Systems Analyst	\$27.48	-2.16%
JUD111	Accounting Supervisor	\$22.87	132116	Accountant	\$23.33	-2.01%
JUD725	District Court Program Manager	\$32.62	111917	Program Manager	\$32.96	-1.04%
JUD613	Senior Water Master - w/c 8744	\$37.22	231218	Administrative Law Judge	\$37.25	-0.08%
JUD105	Office Supervisor	\$18.19	431214	Administrative Support Supervisor	\$18.19	0.00%
JUD303	Official Court Reporter - Realtime	\$22.04	232116	Paralegal	\$21.82	1.00%
JUD107	Office Administrator	\$19.50	131915	Administrative Specialist	\$19.29	1.08%
JUD122	Judicial Administrative Assistant III	\$22.25	232116	Paralegal	\$21.82	1.93%
JUD720	Judicial Education Coordinator	\$24.79	259316	Instructional Coordinator	\$23.29	6.05%
JUD509	Deputy Juvenile Probation Officer III (JPO III)	\$30.64	119916	Social Community Svc Mgr	\$28.02	8.55%
JUD704	Director of Budget and Finance	\$39.41	113317	Financial Manager	\$35.79	9.19%
JUD508	Deputy Juvenile Probation Officer II (JPO II)	\$23.55	211816	Probation Parole Officer	\$21.15	10.19%
JUD205	District Court Adm. Coordinator	\$27.21	131916	Administrative Specialist	\$24.41	10.29%
JUD722	Accounting & Fiscal Policy Analyst	\$26.61	132916	Financial Specialist	\$23.37	12.18%
JUD730	Human Resource Specialist	\$22.62	131775	Human Resource Specialist	\$19.11	15.52%
JUD514	Comm. Supervision Program Super.	\$25.85	211816	Probation Parole Officer	\$21.15	18.18%
OVERALL PERCENT OF EXECUTIVE						-10.09%

Judicial Branch Compared to Legislative Branch (by Percent Difference)

Judicial Code	Judicial Title	Avg. Judicial Total Pay	Legislative Title	Avg. Legislative Total Pay	% Difference (Judicial vs. Legislative)
JUD603	Senior Law Clerk	\$25.52	Legislative Attorney III	43.10	-68.90%
JUD602	Law Clerk II (1st yr Supr.)	\$20.86	Legislative Attorney II	34.52	-65.49%
JUD702	Director of Court Services	\$34.58	Research Director	54.58	-57.85%
JUD120	Judicial Administrative Assistant I	\$16.94	Staff Assistant	26.16	-54.45%
JUD121	Judicial Administrative Assistant II	\$17.23	Research Analyst I	26.23	-52.26%
JUD601	Law Clerk I	\$20.10	Legislative Attorney I	29.24	-45.46%
JUD802	IT Support Specialist II	\$19.07	Network Administrator	27.30	-43.17%
JUD805	Information System Analyst	\$24.18	IT Advisor/Systems Analyst	34.14	-41.18%
JUD703	Director of IT	\$36.76	Computer Systems Manager	49.91	-35.78%
JUD606	Self Help Law Administrator	\$19.56	Research Analyst I	26.23	-34.12%
JUD301	Official Court Reporter - Electronic	\$20.03	Legislative Technical Editor II	26.36	-31.59%
JUD609	Standing Master	\$34.02	Legislative Attorney III	43.10	-26.70%
JUD720	Judicial Education Coordinator	\$24.79	Legislative Communications Officer	31.16	-25.70%
JUD604	Pro Bono Coordinator	\$20.92	Research Analyst I	26.23	-25.40%
JUD611	Water Master - w/c 8744	\$27.68	Legislative Attorney II	34.52	-24.72%
JUD110	Financial Specialist	\$13.77	Accounting Specialist	17.16	-24.61%
JUD302	Official Court Reporter - Steno	\$21.32	Legislative Technical Editor II	26.36	-23.63%
JUD103	Office Assistant III	\$13.11	Legislative Secretary II	15.84	-20.83%
JUD303	Official Court Reporter - Realtime	\$22.04	Legislative Technical Editor II	26.36	-19.59%
JUD122	Judicial Administrative Assistant III	\$22.25	Research Analyst I	26.23	-17.91%
JUD102	Office Assistant II	\$11.39	Legislative Secretary I	13.20	-15.93%
JUD613	Senior Water Master - w/c 8744	\$37.22	Legislative Attorney III	43.10	-15.80%
JUD709	CAP Program Coordinator	\$22.84	Research Analyst I	26.23	-14.86%

Judicial Branch Compared to Legislative Branch (by Percent Difference)

Judicial Code	Judicial Title	Avg. Judicial Total Pay	Legislative Title	Avg. Legislative Total Pay	% Difference (Judicial vs. Legislative)
JUD205	District Court Adm. Coordinator	\$27.21	Legislative Communications Officer	31.16	-14.52%
JUD810	IT Support Specialist I Training Super.	\$25.45	Programmer Analyst II*	27.56	-8.30%
JUD722	Accounting & Fiscal Policy Analyst	\$26.61	Financial Services Manager	28.34	-6.48%
JUD801	IT Support Specialist I	\$18.34	Computer Support Specialist	18.80	-2.48%
JUD809	IT Support Specialist II Supervisor	\$26.90	Programmer Analyst II*	27.56	-2.46%
JUD105	Office Supervisor	\$18.19	Administrative Support Supervisor	18.64	-2.46%
JUD107	Office Administrator	\$19.50	Administrative Support Supervisor	18.64	4.43%
JUD111	Accounting Supervisor	\$22.87	Fiscal Support Manager	21.28	6.93%
JUD730	Human Resource Specialist	\$22.62	Human Resource Specialist	20.37	9.96%
JUD704	Director of Budget and Finance	\$39.41	Financial Services Manager	28.34	28.10%
JUD209	District Court Administrator	\$27.01	No match		
JUD501	Chief Juvenile Probation Officer I	\$22.66	No match		
JUD502	Chief Juvenile Probation Officer II	\$25.60	No match		
JUD503	Chief Juvenile Probation Officer III	\$28.71	No match		
JUD507	Deputy Juvenile Probation Officer I (JPO I)	\$19.62	No match		
JUD508	Deputy Juvenile Probation Officer II (JPO II)	\$23.55	No match		
JUD509	Deputy Juvenile Probation Officer III (JPO III)	\$30.64	No match		
JUD510	Probation Program Assistant	\$11.50	No match		
JUD512	Community Programs Specialist	\$13.58	No match		
JUD514	Comm. Supervision Program Super.	\$25.85	No match		
JUD516	Community Supervision Officer	\$13.53	No match		
JUD725	District Court Program Manager	\$32.62	No match		
OVERALL PERCENT OF LEGISLATIVE					-23.43%

Judicial Branch Compared to Occupational Employment Statistics (OES) and National Compensation Survey (NCS) - by Judicial Code

Jud. Code	Judicial Title	Avg. Judicial Total Pay	O*Net Title	OES MT Mean	OES Natl. Mean	NCS Title	NCS Rate (Aged 2013)	OES/NCS Avg.	% Diff. (Judicial vs. OES/NCS)
JUD102	Office Assistant II	\$11.39	43-6012 Legal Secretary			Office Clerks, Level 3	11.45	11.45	-0.52%
JUD103	Office Assistant III	\$13.11	43-6012 Legal Secretary	15.65	19.82	Office Clerks, Level 4	15.27	16.91	-29.02%
JUD105	Office Supervisor	\$18.19	43-1011 First-Line Supervisors of Office and Admin. Supt. Workers			Supervisors, Office Workers, Level 6	21.35	21.35	-17.37%
JUD107	Office Administrator	\$19.50	43-1011 First-Line Supervisors of Office and Admin. Supt. Workers	22.88	27.29	Supervisors, Office Workers, Level 7	25.12	25.10	-28.70%
JUD110	Financial Specialist	\$13.77	13-2011 Accountants and Auditors		26.85	Bookkeeping, Acct., Audit Clerks, Level 4	15.90	21.38	-55.24%
JUD111	Accounting Supervisor	\$22.87	13-2011 Accountants and Auditors	28.86	26.85	Accountants and Auditors, Level 7	23.68	26.46	-15.71%
JUD120	Judicial Administrative Assistant I	\$16.94	23-2011.00 Paralegals and Legal Assistants	19.28	21.43	No match		20.36	-20.16%
JUD121	Judicial Administrative Assistant II	\$17.23	43-6011 Executive Secretaries and Exec. Admin. Assistants	22.34	21.05	Legal Secretaries, Level 6	25.97	23.12	-34.19%
JUD122	Judicial Administrative Assistant III	\$22.25	43-6011 Executive Secretaries and Exec. Admin. Assistants	22.34	21.05	Paralegals and Legal Assistants, Level 7	27.93	23.77	-6.84%
JUD205	District Court Adm. Coordinator	\$27.21	13-1199 Business Operations Specialists, All Other	26.24	29.59	Management, Business and Fin., Level 8	28.75	28.19	-3.61%
JUD209	District Court Administrator	\$27.01	11-9199 Managers, All Other	33.33	36.42	Management, Business and Fin., Level 9	33.17	34.31	-27.02%
JUD301	Official Court Reporter - Electronic	\$20.03	23-2091.00 Court Reporters		26.63	Court clerks, Level 5	22.70	24.66	-23.13%
JUD302	Official Court Reporter - Steno	\$21.32	23-2091.00 Court Reporters		26.63	Court clerks, Level 5	22.70	24.66	-15.68%
JUD303	Official Court Reporter - Realtime	\$22.04	23-2091.00 Court Reporters		26.63	Court clerks, Level 5	22.70	24.66	-11.90%
JUD501	Chief Juvenile Probation Officer I	\$22.66	11-9151 Social and Community Service Manager			No match			
JUD502	Chief Juvenile Probation Officer II	\$25.60	11-9151 Social and Community Service Manager	23.8	32.2	No match		28.00	-9.37%
JUD503	Chief Juvenile Probation Officer III	\$28.71	11-9151 Social and Community Service Manager			Social & Community Svc. Mgrs., Group III	31.14	31.14	-8.47%
JUD507	Deputy Juvenile Probation Officer I	\$19.62	21-1092.00 Probation Officers & Correctional Treatment Specialists	18.64	25.41	Probation Officers, Group II	24.25	22.77	-16.05%

Judicial Branch Compared to Occupational Employment Statistics (OES) and National Compensation Survey (NCS) - by Judicial Code

Jud. Code	Judicial Title	Avg. Jud. Total Pay	O*Net Title	OES MT Mean	OES Natl. Mean	NCS Title	NCS Rate (Aged 2013)	OES/NCS Avg.	% Diff. (Judicial vs. OES/NCS)
JUD508	Deputy Juvenile Probation Officer II	\$23.55	21-1092.00 Probation Officers & Correctional Treatment Specialists			Probation Officers, Level 7	25.04	25.04	-6.35%
JUD509	Deputy Juvenile Probation Officer III	\$30.64	21-1092.00 Probation Officers & Correctional Treatment Specialists			No match			
JUD510	Probation Program Assistant	\$11.50	43-4031 Court, Municipal and License Clerks	14.27	20.21	Misc. Social Service Spec., Level 5	12.42	15.63	-35.94%
JUD512	Community Programs Specialist	\$13.58	21-1092.00 Probation Officers & Correctional Treatment Specialists			Misc. Social Service Spec., Level 6	16.56	16.56	-21.98%
JUD514	Comm. Supervision Program Super.	\$25.85	21-1092.00 Probation Officers & Correctional Treatment Specialists	18.64	25.41	Correctional Treatment Spec., Level 7	25.04	23.03	10.90%
JUD516	Community Supervision Officer	\$13.53	21-1092.00 Probation Officers & Correctional Treatment Specialists			Misc. Social Service Spec., Level 6	16.56	16.56	-22.43%
JUD601	Law Clerk I	\$20.10	23-1012 Judicial Law Clerks	21.34	29.45	Legal Occupations, Level 7	27.43	26.07	-29.71%
JUD602	Law Clerk II (1st yr Supr.)	\$20.86	23-1012 Judicial Law Clerks			No match			
JUD603	Senior Law Clerk	\$25.52	23-1011 Lawyer	35.64	39.78	No match		37.71	-47.77%
JUD604	Pro Bono Coordinator	\$20.92	13-1199 Business Operations Specialists, All Other	26.24	29.59	Misc. Social Service Spec., Level 7	23.37	26.40	-26.19%
JUD606	Self Help Law Administrator	\$19.56	13-1199 Business Operations Specialists, All Other	26.24	29.59	Misc. Social Service Spec., Level 7	23.37	26.40	-34.97%
JUD609	Standing Master	\$34.02	23-1021 Administrative Law Judges, Adjudicators, and Hearing Officers	30.83	36.85	No match		33.84	0.53%
JUD611	Water Master - w/c 8744	\$27.68	23-1021 Administrative Law Judges, Adjudicators, and Hearing Officers			No match			
JUD613	Senior Water Master - w/c 8744	\$37.22	23-1021 Administrative Law Judges, Adjudicators, and Hearing Officers	30.83	36.85	No match		33.84	9.08%
JUD702	Director of Court Services	\$34.58	11-1021 General and Operations Managers	43.06	41.42	Management, Business and Fin., Level 10	43.64	42.71	-23.50%
JUD703	Director of IT	\$36.76	11-3021 Computer and Information Systems Managers	45.23	44.43	Computer & Info. Systems Mgr., Group III	47.79	45.82	-24.64%
JUD704	Director of Budget and Finance	\$39.41	11-3031 Financial Managers	46.29	43.04	Management, Business and Fin., Level 10	43.64	44.32	-12.47%

Judicial Branch Compared to Occupational Employment Statistics (OES) and National Compensation Survey (NCS) - by Judicial Code

Jud. Code	Judicial Title	Avg. Jud. Total Pay	O*Net Title	OES MT Mean	OES Natl. Mean	NCS Title	NCS Rate (Aged 2013)	OES/NCS Avg.	% Diff. (Judicial vs. OES/NCS)
JUD709	CAP Program Coordinator	\$22.84	13-1199 Business Operations Specialists, All Other	26.24	29.59	Management, Business and Fin., Level 7	22.87	26.23	-14.85%
JUD720	Judicial Education Coordinator	\$24.79	25-9031.00 Instructional Coordinator	29.45	32.16	Instructional Coordinators, Group III	30.45	30.69	-23.78%
JUD722	Accounting & Fiscal Policy Analyst	\$26.61	13-2099 Financial Specialist, All Other	25.79	28.27	Accountants and Auditors, Level 9	31.89	28.65	-7.67%
JUD725	District Court Program Manager	\$32.62	11-9199 Managers, All Other	33.33	36.42	Management, Business and Fin., Level 9	33.17	34.31	-5.17%
JUD730	Human Resource Specialist	\$22.62	13-1071 Human Resources Specialists	24.35	22.23	Human Resource, Training, and Labor Spec.	29.91	25.50	-12.72%
JUD801	IT Support Specialist I	\$18.34	15-1151 Computer User Support Specialists	18.6	25.12	Computer Support Specialists, Level 6	22.30	22.01	-19.99%
JUD802	IT Support Specialist II	\$19.07	15-1152 Computer Network Support Specialists	22.48	28.21	Computer Support Specialists, Level 7	25.65	25.45	-33.44%
JUD805	Information System Analyst	\$24.18	15-1142 Network and Computer Systems Administrators	28.22	32.83	Network and Comp. Sys. Admin., Group II	25.65	28.90	-19.52%
JUD809	IT Support Specialist II Supervisor	\$26.90	15-1121 Computer Systems Analyst	30.63	33.16	Network and Comp. Sys. Admin., Group III	38.90	34.23	-27.24%
JUD810	IT Support Specialist I Training Super.	\$25.45	15-1150 Computer Support Specialists		26.31	Network and Comp. Sys. Admin., Group II	25.65	25.98	-2.09%
OVERALL AVERAGE % DIFFERENCE:									-18.41%

Judicial Branch Compared to Occupational Employment Statistics (OES) and National Compensation Survey (NCS) - by Percent Difference

Judicial Code	Judicial Title	Avg. Judicial Total Pay	OES/NCS Avg.	% Difference (Judicial vs. OES/NCS)
JUD110	Financial Specialist	\$13.77	21.38	-55.24%
JUD603	Senior Law Clerk	\$25.52	37.71	-47.77%
JUD510	Probation Program Assistant	\$11.50	15.63	-35.94%
JUD606	Self Help Law Administrator	\$19.56	26.40	-34.97%
JUD121	Judicial Administrative Assistant II	\$17.23	23.12	-34.19%
JUD802	IT Support Specialist II	\$19.07	25.45	-33.44%
JUD601	Law Clerk I	\$20.10	26.07	-29.71%
JUD103	Office Assistant III	\$13.11	16.91	-29.02%
JUD107	Office Administrator	\$19.50	25.10	-28.70%
JUD809	IT Support Specialist II Supervisor	\$26.90	34.23	-27.24%
JUD209	District Court Administrator	\$27.01	34.31	-27.02%
JUD604	Pro Bono Coordinator	\$20.92	26.40	-26.19%
JUD703	Director of IT	\$36.76	45.82	-24.64%
JUD720	Judicial Education Coordinator	\$24.79	30.69	-23.78%
JUD702	Director of Court Services	\$34.58	42.71	-23.50%
JUD301	Official Court Reporter - Electronic	\$20.03	24.66	-23.13%
JUD516	Community Supervision Officer	\$13.53	16.56	-22.43%
JUD512	Community Programs Specialist	\$13.58	16.56	-21.98%
JUD120	Judicial Administrative Assistant I	\$16.94	20.36	-20.16%
JUD801	IT Support Specialist I	\$18.34	22.01	-19.99%
JUD805	Information System Analyst	\$24.18	28.90	-19.52%
JUD105	Office Supervisor	\$18.19	21.35	-17.37%
JUD507	Deputy Juvenile Probation Officer I (JPO I)	\$19.62	22.77	-16.05%
JUD111	Accounting Supervisor	\$22.87	26.46	-15.71%
JUD302	Official Court Reporter - Steno	\$21.32	24.66	-15.68%

Judicial Branch Compared to Occupational Employment Statistics (OES) and National Compensation Survey (NCS) - by Percent Difference

Judicial Code	Judicial Title	Avg. Judicial Total Pay	OES/NCS Avg.	% Difference (Judicial vs. OES/NCS)
JUD709	CAP Program Coordinator	\$22.84	26.23	-14.85%
JUD730	Human Resource Specialist	\$22.62	25.50	-12.72%
JUD704	Director of Budget and Finance	\$39.41	44.32	-12.47%
JUD303	Official Court Reporter - Realtime	\$22.04	24.66	-11.90%
JUD502	Chief Juvenile Probation Officer II	\$25.60	28.00	-9.37%
JUD503	Chief Juvenile Probation Officer III	\$28.71	31.14	-8.47%
JUD722	Accounting & Fiscal Policy Analyst	\$26.61	28.65	-7.67%
JUD122	Judicial Administrative Assistant III	\$22.25	23.77	-6.84%
JUD508	Deputy Juvenile Probation Officer II (JPO II)	\$23.55	25.04	-6.35%
JUD725	District Court Program Manager	\$32.62	34.31	-5.17%
JUD205	District Court Adm. Coordinator	\$27.21	28.19	-3.61%
JUD810	IT Support Specialist I Training Super.	\$25.45	25.98	-2.09%
JUD102	Office Assistant II	\$11.39	11.45	-0.52%
JUD609	Standing Master	\$34.02	33.84	0.53%
JUD613	Senior Water Master - w/c 8744	\$37.22	33.84	9.08%
JUD514	Comm. Supervision Program Super.	\$25.85	23.03	10.90%
JUD501	Chief Juvenile Probation Officer I	\$22.66		
JUD509	Deputy Juvenile Probation Officer III (JPO III)	\$30.64		
JUD602	Law Clerk II (1st yr Supr.)	\$20.86		
JUD611	Water Master - w/c 8744	\$27.68		
OVERALL AVERAGE % DIFFERENCE:				-18.41%

Judicial Branch Compared to all data sources overall - by Judicial Code

Job Code	Judicial Title	Exec. Avg. Total	Leg. Avg. Total	OES MT Mean	OES Natl. State Govt. Mean	NCS Aged (2013)	Overall Average	Avg. Judicial Total Rate	% Difference
JUD102	Office Assistant II	\$13.42	\$13.20			\$11.45	\$12.69	\$11.39	-11.42%
JUD103	Office Assistant III	\$15.89	\$15.84	\$15.65	\$19.82	\$15.27	\$16.49	\$13.11	-25.82%
JUD105	Office Supervisor	\$18.19	\$18.64			\$21.35	\$19.39	\$18.19	-6.61%
JUD107	Office Administrator	\$19.29	\$18.64	\$22.88	\$27.29	\$25.12	\$22.64	\$19.50	-16.12%
JUD110	Financial Specialist	\$15.63	\$17.16		\$26.85	\$15.90	\$18.89	\$13.77	-37.15%
JUD111	Accounting Supervisor	\$23.33	\$21.28	\$28.86	\$26.85	\$23.68	\$24.80	\$22.87	-8.44%
JUD120	Judicial Administrative Assistant I	\$19.94	\$26.16	\$19.28	\$21.43		\$21.70	\$16.94	-28.12%
JUD121	Judicial Administrative Assistant II	\$21.82	\$26.23	\$22.34	\$21.05	\$25.97	\$23.48	\$17.23	-36.30%
JUD122	Judicial Administrative Assistant III	\$21.82	\$26.23	\$22.34	\$21.05	\$27.93	\$23.87	\$22.25	-7.30%
JUD205	District Court Adm. Coordinator	\$24.41	\$31.16	\$26.24	\$29.59	\$28.75	\$28.03	\$27.21	-3.01%
JUD209	District Court Administrator	\$32.96		\$33.33	\$36.42	\$33.17	\$33.97	\$27.01	-25.77%
JUD301	Official Court Reporter - Electronic	\$21.82	\$26.36		\$26.63	\$22.70	\$24.38	\$20.03	-21.70%
JUD302	Official Court Reporter - Steno	\$21.82	\$26.36		\$26.63	\$22.70	\$24.38	\$21.32	-14.33%
JUD303	Official Court Reporter - Realtime	\$21.82	\$26.36		\$26.63	\$22.70	\$24.38	\$22.04	-10.60%
JUD501	Chief Juvenile Probation Officer I	\$28.02					\$28.02	\$22.66	-23.65%
JUD502	Chief Juvenile Probation Officer II	\$28.02		\$23.80	\$32.20		\$28.01	\$25.60	-9.40%
JUD503	Chief Juvenile Probation Officer III	\$31.88		\$0.00	\$0.00	\$31.14	\$31.51	\$28.71	-9.76%
JUD507	Deputy Juvenile Probation Officer I (JPO I)	\$21.15		\$18.64	\$25.41	\$24.25	\$22.36	\$19.62	-13.98%
JUD508	Deputy Juvenile Probation Officer II (JPO II)	\$21.15				\$25.04	\$23.10	\$23.55	1.92%
JUD509	Deputy Juvenile Probation Officer III (JPO III)	\$28.02					\$28.02	\$30.64	8.55%
JUD510	Probation Program Assistant	\$14.03		\$14.27	\$20.21	\$12.42	\$15.23	\$11.50	-32.46%
JUD512	Community Programs Specialist	\$17.90				\$16.56	\$17.23	\$13.58	-26.89%
JUD514	Comm. Supervision Program Super.	\$21.15		\$18.64	\$25.41	\$25.04	\$22.56	\$25.85	12.72%

Judicial Branch Compared to all data sources overall - by Judicial Code

Job Code	Judicial Title	Exec. Avg. Total	Leg. Avg. Total	OES MT Mean	OES Natl. State Govt. Mean	NCS Aged (2013)	Overall Average	Avg. Judicial Total Rate	% Difference
JUD516	Community Supervision Officer	\$17.90		\$0.00	\$0.00	\$16.56	\$17.23	\$13.53	-27.36%
JUD601	Law Clerk I	\$31.25	\$29.24	\$21.34	\$29.45	\$27.43	\$27.74	\$20.10	-38.01%
JUD602	Law Clerk II (1st yr Supr.)	\$31.25	\$34.52				\$32.89	\$20.86	-57.65%
JUD603	Senior Law Clerk	\$30.24	\$43.10	\$35.64	\$39.78		\$37.19	\$25.52	-45.73%
JUD604	Pro Bono Coordinator	\$23.43	\$26.23	\$26.24	\$29.59	\$23.37	\$25.77	\$20.92	-23.20%
JUD606	Self Help Law Administrator	\$23.43	\$26.23	\$26.24	\$29.59	\$23.37	\$25.77	\$19.56	-31.76%
JUD609	Standing Master	\$37.25	\$43.10	\$30.83	\$36.85		\$37.01	\$34.02	-8.78%
JUD611	Water Master - w/c 8744	\$30.70	\$34.52				\$32.61	\$27.68	-17.81%
JUD613	Senior Water Master - w/c 8744	\$37.25	\$43.10	\$30.83	\$36.85		\$37.01	\$37.22	0.57%
JUD702	Director of Court Services	\$38.20	\$54.58	\$43.06	\$41.42	\$43.64	\$44.18	\$34.58	-27.76%
JUD703	Director of IT	\$44.81	\$49.91	\$45.23	\$44.43	\$47.79	\$46.44	\$36.76	-26.32%
JUD704	Director of Budget and Finance	\$35.79	\$28.34	\$46.29	\$43.04	\$43.64	\$39.42	\$39.41	-0.02%
JUD709	CAP Program Coordinator	\$23.43	\$26.23	\$26.24	\$29.59	\$22.87	\$25.67	\$22.84	-12.40%
JUD720	Judicial Education Coordinator	\$23.29	\$31.16	\$29.45	\$32.16	\$30.45	\$29.30	\$24.79	-18.20%
JUD722	Accounting & Fiscal Policy Analyst	\$23.37	\$28.34	\$25.79	\$28.27	\$31.89	\$27.53	\$26.61	-3.46%
JUD725	District Court Program Manager	\$32.96		\$33.33	\$36.42	\$33.17	\$33.97	\$32.62	-4.14%
JUD730	Human Resource Specialist	\$19.11	\$20.37	\$24.35	\$22.23	\$29.91	\$23.19	\$22.62	-2.54%
JUD801	IT Support Specialist I	\$20.89	\$18.80	\$18.60	\$25.12	\$22.30	\$21.14	\$18.34	-15.27%
JUD802	IT Support Specialist II	\$24.45	\$27.30	\$22.48	\$28.21	\$25.65	\$25.62	\$19.07	-34.34%
JUD805	Information System Analyst	\$27.48	\$34.14	\$28.22	\$32.83	\$25.65	\$29.66	\$24.18	-22.68%
JUD809	IT Support Specialist II Supervisor	\$27.48	\$27.56	\$30.63	\$33.16	\$38.90	\$31.55	\$26.90	-17.27%
JUD810	IT Support Specialist I Training Super.	\$27.48	\$27.56		\$26.31	\$25.65	\$26.75	\$25.45	-5.11%
OVERALL PERCENT DIFFERENCE - ALL DATA SOURCES									-17.44%

Judicial Branch Compared to all data sources overall - by Percent Difference

Job Code	Judicial Title	Exec. Avg. Total	Leg. Avg. Total	OES MT Mean	OES Natl. State Govt. Mean	NCS Aged (2013)	Overall Average	Avg. Judicial Total Rate	% Difference
JUD602	Law Clerk II (1st yr Supr.)	\$31.25	\$34.52				\$32.89	\$20.86	-57.65%
JUD603	Senior Law Clerk	\$30.24	\$43.10	\$35.64	\$39.78		\$37.19	\$25.52	-45.73%
JUD601	Law Clerk I	\$31.25	\$29.24	\$21.34	\$29.45	\$27.43	\$27.74	\$20.10	-38.01%
JUD110	Financial Specialist	\$15.63	\$17.16		\$26.85	\$15.90	\$18.89	\$13.77	-37.15%
JUD121	Judicial Administrative Assistant II	\$21.82	\$26.23	\$22.34	\$21.05	\$25.97	\$23.48	\$17.23	-36.30%
JUD802	IT Support Specialist II	\$24.45	\$27.30	\$22.48	\$28.21	\$25.65	\$25.62	\$19.07	-34.34%
JUD510	Probation Program Assistant	\$14.03		\$14.27	\$20.21	\$12.42	\$15.23	\$11.50	-32.46%
JUD606	Self Help Law Administrator	\$23.43	\$26.23	\$26.24	\$29.59	\$23.37	\$25.77	\$19.56	-31.76%
JUD120	Judicial Administrative Assistant I	\$19.94	\$26.16	\$19.28	\$21.43		\$21.70	\$16.94	-28.12%
JUD702	Director of Court Services	\$38.20	\$54.58	\$43.06	\$41.42	\$43.64	\$44.18	\$34.58	-27.76%
JUD516	Community Supervision Officer	\$17.90		\$0.00	\$0.00	\$16.56	\$17.23	\$13.53	-27.36%
JUD512	Community Programs Specialist	\$17.90				\$16.56	\$17.23	\$13.58	-26.89%
JUD703	Director of IT	\$44.81	\$49.91	\$45.23	\$44.43	\$47.79	\$46.44	\$36.76	-26.32%
JUD103	Office Assistant III	\$15.89	\$15.84	\$15.65	\$19.82	\$15.27	\$16.49	\$13.11	-25.82%
JUD209	District Court Administrator	\$32.96		\$33.33	\$36.42	\$33.17	\$33.97	\$27.01	-25.77%
JUD501	Chief Juvenile Probation Officer I	\$28.02					\$28.02	\$22.66	-23.65%
JUD604	Pro Bono Coordinator	\$23.43	\$26.23	\$26.24	\$29.59	\$23.37	\$25.77	\$20.92	-23.20%
JUD805	Information System Analyst	\$27.48	\$34.14	\$28.22	\$32.83	\$25.65	\$29.66	\$24.18	-22.68%
JUD301	Official Court Reporter - Electronic	\$21.82	\$26.36		\$26.63	\$22.70	\$24.38	\$20.03	-21.70%
JUD720	Judicial Education Coordinator	\$23.29	\$31.16	\$29.45	\$32.16	\$30.45	\$29.30	\$24.79	-18.20%
JUD611	Water Master - w/c 8744	\$30.70	\$34.52				\$32.61	\$27.68	-17.81%
JUD809	IT Support Specialist II Supervisor	\$27.48	\$27.56	\$30.63	\$33.16	\$38.90	\$31.55	\$26.90	-17.27%
JUD107	Office Administrator	\$19.29	\$18.64	\$22.88	\$27.29	\$25.12	\$22.64	\$19.50	-16.12%

Judicial Branch Compared to all data sources overall - by Percent Difference

Job Code	Judicial Title	Exec. Avg. Total	Leg. Avg. Total	OES MT Mean	OES Natl. State Govt. Mean	NCS Aged (2013)	Overall Average	Avg. Judicial Total Rate	% Difference
JUD801	IT Support Specialist I	\$20.89	\$18.80	\$18.60	\$25.12	\$22.30	\$21.14	\$18.34	-15.27%
JUD302	Official Court Reporter - Steno	\$21.82	\$26.36		\$26.63	\$22.70	\$24.38	\$21.32	-14.33%
JUD507	Deputy Juvenile Probation Officer I (JPO I)	\$21.15		\$18.64	\$25.41	\$24.25	\$22.36	\$19.62	-13.98%
JUD709	CAP Program Coordinator	\$23.43	\$26.23	\$26.24	\$29.59	\$22.87	\$25.67	\$22.84	-12.40%
JUD102	Office Assistant II	\$13.42	\$13.20			\$11.45	\$12.69	\$11.39	-11.42%
JUD303	Official Court Reporter - Realtime	\$21.82	\$26.36		\$26.63	\$22.70	\$24.38	\$22.04	-10.60%
JUD503	Chief Juvenile Probation Officer III	\$31.88		\$0.00	\$0.00	\$31.14	\$31.51	\$28.71	-9.76%
JUD502	Chief Juvenile Probation Officer II	\$28.02		\$23.80	\$32.20		\$28.01	\$25.60	-9.40%
JUD609	Standing Master	\$37.25	\$43.10	\$30.83	\$36.85		\$37.01	\$34.02	-8.78%
JUD111	Accounting Supervisor	\$23.33	\$21.28	\$28.86	\$26.85	\$23.68	\$24.80	\$22.87	-8.44%
JUD122	Judicial Administrative Assistant III	\$21.82	\$26.23	\$22.34	\$21.05	\$27.93	\$23.87	\$22.25	-7.30%
JUD105	Office Supervisor	\$18.19	\$18.64			\$21.35	\$19.39	\$18.19	-6.61%
JUD810	IT Support Specialist I Training Super.	\$27.48	\$27.56		\$26.31	\$25.65	\$26.75	\$25.45	-5.11%
JUD725	District Court Program Manager	\$32.96		\$33.33	\$36.42	\$33.17	\$33.97	\$32.62	-4.14%
JUD722	Accounting & Fiscal Policy Analyst	\$23.37	\$28.34	\$25.79	\$28.27	\$31.89	\$27.53	\$26.61	-3.46%
JUD205	District Court Adm. Coordinator	\$24.41	\$31.16	\$26.24	\$29.59	\$28.75	\$28.03	\$27.21	-3.01%
JUD730	Human Resource Specialist	\$19.11	\$20.37	\$24.35	\$22.23	\$29.91	\$23.19	\$22.62	-2.54%
JUD704	Director of Budget and Finance	\$35.79	\$28.34	\$46.29	\$43.04	\$43.64	\$39.42	\$39.41	-0.02%
JUD613	Senior Water Master - w/c 8744	\$37.25	\$43.10	\$30.83	\$36.85		\$37.01	\$37.22	0.57%
JUD508	Deputy Juvenile Probation Officer II (JPO II)	\$21.15				\$25.04	\$23.10	\$23.55	1.92%
JUD509	Deputy Juvenile Probation Officer III (JPO III)	\$28.02					\$28.02	\$30.64	8.55%
JUD514	Comm. Supervision Program Super.	\$21.15		\$18.64	\$25.41	\$25.04	\$22.56	\$25.85	12.72%
OVERALL PERCENT DIFFERENCE - ALL DATA SOURCES									-17.44%

V. Recommendations for Pay Plan Implementation

As stated earlier in the report, the Judicial Branch needs to determine whether to maintain the existing, or implement a new classification system, and determine its compensation philosophy. The Branch will also need a strategy for Pay Plan Implementation, including providing pay adjustments for employees based on factors such as legislative appropriations, the cost of living, and individual position distance from market. The implementation of the pay plan should also include an assessment of current branch pay policies and practices to ensure they align with the compensation philosophy, are fiscally responsible, and provide the Branch with the ability to attract and retain a competent and motivated workforce.

Recommendations about pay plan implementation, including consideration of funding allocated through the pay plan bill.
[CMS will refine and expand this section after the meeting with Beth and Sarah].

A. Compensation Philosophy

A compensation philosophy expresses an organization's preferred approach to paying for work. Philosophy statements can take several forms and should reflect the values of the organization. The philosophy statement should be communicated to employees to help them understand the organization's values and to manage their expectations regarding future salary growth and opportunity. A compensation philosophy will help an organization to determine if they are meeting goals for wages and salaries. CMS recommends the Judicial Branch develop a compensation philosophy that incorporates the following components:

- **Internal equity.** Jobs are valued in relation to one another using a point factor system for all classified positions. Both cross-occupational equity and comparable worth concerns are important considerations in establishing a compensation framework.
- **External competitiveness.** A measure of an organization's pay structure compared to that of its competitors. The Judicial Branch should maintain market competitiveness to reduce turnover and related training costs, and determine who you need to be competitive with to retain successful employees. Good measures of market competitiveness are wages paid by other public and private employers within the state for similar jobs.

- **Affordability.** Cost of compensation program to the organization. Compensation programs should not incur costs that exceed what the organization can afford to pay. The Judicial Branch should consider available funding, yearly budget cycles and internal financial systems in developing its compensation program.
- **Understandable/sellable.** Compensation programs must be well communicated to employees and managers to be understood and accepted throughout the organization. CMS recommends on-going communication with employees if the branch updates the existing or implements a new compensation plan.
- **Efficient to administer.** Maintaining and administering an organization's compensation program should be as simple and straightforward as possible. This means striking a balance between what appears to be the "best" program and what is efficient, effective and easiest to administer.
- **Flexible consistency.** Ensuring managers have the flexibility to stratify pay rates for employees based on more than years of service. For example, the use of broadened grade ranges could allow the flexibility needed to support increasing proficiency and competency, achievement of results, market adjustments, higher cost work locations, working conditions, and other compensation alternatives.

B. Target Market Ratios

A Target Market Ratio Matrix can serve as the basis for determining the target rate (i.e., the specific placement within the pay range) for each Judicial Branch employee. Employees' years of service in their current position can serve as a basis for determining an employee's target market ratio (unless there is a pay exception as described below). This ratio is then multiplied by the market rate for their grade level to determine their target salary. In the future, the Branch can base placement in the pay ranges and market ratios on competency and/or performance assessments instead of years of service in the current position. Placement at rates above the market for the grade can be attained through above average competency and/or performance. If the branch transitions from Target Market Ratios based on years of service to TMRs based on competency and/or performance, the Branch can continue to compensate for *longevity* (i.e., years of service) by continuing to provide longevity increments above and beyond the base salary.

Determining employee target rates:

Typically, an employee's target market rate (TMR) will be based on years of service in the current position. New employees are typically hired at the entry rate of the range, and will progress through the matrix according to their tenure. The base salary for an employee promoted to a higher grade level will be set within a range from the entry rate of the higher grade to a base salary that maintains the employee's current rate of pay. The

Branch may set pay at a rate below entry for higher grade in the case of a training assignment.

Pay exceptions

In addition to determining target rates based on years of service, CMS recommends a pay policy that allows managerial discretion to set target rates. This would be appropriate in situations when the rate set by years of service is not appropriate given the individual’s competencies. This flexibility allow pay rates higher than entry for new employees when the Branch experiences recruitment difficulties, and rates above the “years of service” rate to retain uniquely qualified existing employees.

When determining a new, existing, or promoted employee's base salary under the provisions of a pay exception, the Branch can consider criteria including the employee's job-related qualifications (experience, knowledge, skills and abilities), existing salary relationships within the agency and work unit, ability to pay, and the competitive labor market. We recommend that any pay exceptions require approval of a centralized authority (e.g., Human Resources of the Court Administrator) to ensure consistency. You may also consider placing a cap on the available amount of pay exceptions to maintain budgetary controls.

Following is an example of a Target Market Ratio (TMR) matrix:

		Years of Service in Current Position or Competency Assessment								
Grade	Minimum	1	2	3	4	5	6	7	8	9
9	90.0%	92.0%	94.0%	96.0%	98.0%	100.0%	100.0%	100.0%	100.0%	100.0%
10	89.0%	91.2%	93.4%	95.6%	97.8%	100.0%	100.0%	100.0%	100.0%	100.0%
11	88.0%	90.0%	92.0%	94.0%	96.0%	98.0%	100.0%	100.0%	100.0%	100.0%
12	87.0%	89.2%	91.4%	93.6%	95.8%	98.0%	100.0%	100.0%	100.0%	100.0%
13	86.0%	88.0%	90.0%	92.0%	94.0%	96.0%	98.0%	100.0%	100.0%	100.0%
14	85.0%	87.2%	89.3%	91.5%	93.6%	95.8%	97.9%	100.0%	100.0%	100.0%
15	84.0%	86.0%	88.0%	90.0%	92.0%	94.0%	96.0%	98.0%	100.0%	100.0%
16	83.0%	85.1%	87.2%	89.3%	91.4%	93.5%	95.6%	97.7%	100.0%	100.0%
17	82.0%	84.0%	86.0%	88.0%	90.0%	92.0%	94.0%	96.0%	98.0%	100.0%

C. Compensation Goals

The Judicial Branch’s compensation program should support agency business objectives, mission and strategies for the future. In order to meet taxpayer expectations for Branch services and work products, a positive goal may be to begin closing the gap in compensation between the Judicial Branch and other public and private sector employers by setting targets to achieve competitiveness within a specific timeframe. The Branch should consider the following factors when establishing compensation goals:

- Competitive position with private sector.
- Competitive position with other branches of government.
- Reduce turnover (cost of turnover).
- Attract and retain employees in hard-to-fill occupations (cost of recruitment & training).
- Relationship to internal market rate established by the Branch (TMR goals).

D. Pay Raises Based on Gap Analysis

Pay adjustments based on the implementation of new classification standards and/or new pay ranges may result in some employees being further away from a targeted rate of pay than others. If the available budget is not adequate to move all employees to their targeted rate of pay, then the Branch should implement a system to strategically distribute available funding. One method is to base allocation of funds on proportional differences between employees' actual and targeted pay rates.

EXAMPLE:

Differences in five employees' current base salaries and targeted base salaries in a specific work unit are as follows:

	<u>Current Salary</u>	<u>Targeted Salary</u>	<u>Negative Gap</u>	<u>Gap %</u>
Employee A	28,000	32,000	4,000	40%
Employee B	29,000	30,000	1,000	10%
Employee C	31,000	34,000	3,000	30%
Employee D	32,000	31,000	0	0%
Employee E	<u>38,000</u>	<u>40,000</u>	<u>2,000</u>	<u>20%</u>
Totals	158,000	168,000	10,000	100%

Gaps between current base salaries and targeted base salaries total \$10,000. However, available annual funding for base salary increases in the work unit is only \$5,000.

The following distribution scenario allows the employer to distribute the limited funding to employees on an equitable pro-rata basis derived from each employee's base salary gap percentage:

	<u>Salary Increase</u>	<u>New base salary</u>	<u>Remaining Neg. Gap</u>
Employee A	40% x 5,000 = 2,000	28,000 + 2,000 = 30,000	2,000
Employee B	10% x 5,000 = 500	29,000 + 500 = 29,500	500
Employee C	30% x 5,000 = 1,500	31,000 + 1,500 = 32,500	1,500
Employee D	0% x 5,000 = 0	32,000 + 0 = 32,000	0
Employee E	20% x 5,000 = <u>1,000</u>	38,000 + 1,000 = 39,000	1,000
Total	5,000		

An employer may want to put some parameters on base salary increases such as minimums and maximums. Assume the employer wanted each employee to receive a cost-of-living

increase of at least 2%. Total current salary is 158,000 x 2% minimum = 3,160. This would leave \$1,840 for reducing the remaining gaps in base salary.

	<u>COLA increase</u>	<u>Gap-based Increase</u>	<u>Total Increase</u>
Employee A	2% x 28,000 = 560	40% x 1,840 = 736	1,296
Employee B	2% x 29,000 = 580	10% x 1,840 = 184	764
Employee C	2% x 31,000 = 620	30% x 1,840 = 552	1,172
Employee D	2% x 32,000 = 640		640
Employee E	<u>2% x 38,000 = 760</u>	<u>20% x 1,840 = 368</u>	<u>1,128</u>
Totals	3,160	1,840	5,000

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VI. Long-Term Pay Strategy Recommendations

[CMS will refine and expand this section after the meeting with Beth and Sarah].

A. Defining Long-Term Classification & Pay Goals

Options and methods of implementation for changes to the pay ranges and pay plan. These recommendations will include long-term strategies for compensation including recommendations for implementation by Judicial Branch Human Resources staff.

B. Defining Long-Term Classification & Pay Goals

Steps in developing a contemporary classification system (or updating/evaluating the existing system):

1. Define the compensation philosophy and job evaluation objectives
2. Select and define compensable factors
3. Collect and evaluation position information
4. Apply job evaluation factors to position information
5. Develop and test job evaluation ranking in relation to market data and organizational values.
6. Revise the job analysis and job evaluation methods and documents as necessary
7. Apply the final model to the entire organization.

VII. Appendices

- A. Master Judicial Salary Comparison Spreadsheet.
- B. Recommending pay ranges. The wage estimates will serve as the basis for recommending pay ranges for Judicial Branch positions (i.e., establishing a formal entry, mid-point, and maximum pay rate for each position).

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APPENDIX C - ATTRIBUTES LOADED INTO MBARS AND ADJUSTMENTS TO THE SNAPSHOT

The attributes of the authorized positions and the position's incumbent are included. Authorization includes HB 2, proprietary funding, and statutory funding. Attributes captured in the snapshot include:

- Budget program
- Position number
- Job classification
- FTE amount
- Base hourly salary
- Anniversary date and hour of services
- Retirement system code
- Employee exemption from Unemployment Tax
- Pay plan code
- Pay band
- Workers' compensation insurance indicator
- FICA indicator for Social Security and Medicare

Adjustments to the snapshot include:

- Elected official salaries for the biennium as determined through the elected official salary survey
- Funding for positions vacant at the time of the snapshot are added using different amounts depending on the pay plan. See Appendix D for figure showing the variations depending on the pay plan
- Incumbent on military leave includes only the salary of the individual on military leave. A modified position is used if the agency needs to fill the position during the deployment
- For aggregate positions when there is more than one incumbent in a position, the attributes of the most recent incumbent hired into the position are used. If more than one incumbent is hired on the same date the highest employee ID value is used for the budget
- Job sharing positions are required to have two position numbers with the applicable portion of FTE for each position included in the budget
- Training assignment adjustments are allowed if an agency has recently hired an employee at an hourly rate that is less than the base hourly rate for the position once the training period is completed. The agency may adjust the salary to the base salary for the completed training assignment costs
- Career ladder positions where the incumbent will completed the requirements during the period is allowed to include the salary at the end of the biennium rather than the beginning of the biennium prior to the attainment of the career ladder salary change

APPENDIX D – VACANT POSITION CALCULATION

Calculation of Personal Services Vacant Positions based on Pay Plan	
Pay Plan	Pay Rate Determination
Broadband	75% of the base hourly rate determined in the market rate survey conducted in the base year and identified by job code
Judicial Branch	Base year hourly entry rate within each grade
Exempt employees	Determined by agency with exempt employee
Blue collar	Base year hourly maximum rate within each grade
Legislative Branch	Base hourly rate determined in the market survey in the base year
Montana State Fund*	Base year hourly entry rate within each grade
<p>* This is the calculation in the proprietary funding included in MBARS for MSF, it is not the calculation used for the budget presented to the board of directors</p>	