

Development of Employee Pay Plans

2012–2013

**HR Services
Texas Association of School Boards**

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Introduction to TASB HR Services

HR Services is a subscription service of the Texas Association of School Boards, specializing in human resource management. Members include over 900 public school districts, charter schools, and regional education service centers. The Compensation Group of HR Services delivers a wide range of services to our client districts including wage and salary surveys, education and training, and local consulting to develop and maintain effective pay systems for employees.

Since 1984, TASB compensation consultants have designed and installed pay plans for over 500 Texas public school districts. There is no other consulting group with more knowledge and experience in the compensation needs of Texas public schools. Follow-up support for maintenance of district pay plans is also available from TASB HR Services.

Scope of Services

TASB provides the services below to meet the pay goals of each district. The step-by-step work process is described in the following section.

- Job assignments are evaluated to identify the levels of skill, effort, and responsibility. Recommendations for job classification will be provided.
- External competitive job markets are analyzed for benchmark jobs to identify strengths and weaknesses in current pay practices.
- Pay range controls will be recommended at each job level. Pay ranges will be set to align each district's competitive job market(s).
- Corrective pay adjustments will be recommended for employees who are considered to be retention risks or improperly paid.
- A first-year budget plan with cost estimates and calculated pay adjustments will be developed based on a download of incumbent pay data at the start of the project. Multiple budget options will be provided as needed to ensure affordability.
- Written procedures will be developed to guide employee placement and provide administrative control of the pay system.
- On-site briefings and documentation of the findings and recommendations will be provided in an interim draft format with a final report following administrative review.

Pay Study Process

Phase I—Data Collection and Preparation

- District provides payroll data for each incumbent employee in a readable electronic format. Data includes position title, name, days employed, hours per day (for nonexempt), years of service, annual salary or hourly rate for a full work year, and work location code. Data specifications for each employee group will be provided in an excel spreadsheet by TASB upon receipt of an approved service agreement.
- TASB consultant conducts an initial conference with district administrators to clarify the project goals and pay issues, identify the competitive job markets, provide an orientation to the pay study process, identify key communication activities, and plan the project schedule and target deadlines.
- District provides TASB with current salary schedules, pay policies and procedures, and the district organization chart.
- TASB consultant may conduct individual interviews with administrative department heads and executive managers to identify and clarify issues and concerns and to better understand internal job relationships.

Phase II—Job Market Surveys

- TASB consultant selects the benchmark jobs to compare for market pricing.
- TASB consultant collects and analyzes available survey data for comparable job markets in each pay group. Job markets will include selected school districts and may also include other published survey data for non-educational jobs.
- TASB consultant prepares a summary analysis to identify the district's competitive strengths and weaknesses in pay and benefits and recommend corrective adjustments where needed.

Phase III—Design Pay Range Structures and Prepare Implementation Plans

- TASB consultant recommends pay range structures for each employee group using market data and job analysis. Teachers may have a market-based salary schedule with placement by total years of service.
- TASB consultant evaluates internal pay equity and recommends corrective adjustments where needed.
- TASB consultant develops recommendations and cost estimates to implement the pay plan for incumbent employees. Cost estimates will be itemized for each recommendation. Employee pay adjustments will be transferred to the district in electronic spreadsheets at the conclusion of work.

- TASB consultant recommends administrative procedures for ongoing pay administration and plan maintenance as needed, including placement of new hires and promotions.
- Onsite meetings are conducted with district administration to review preliminary findings and recommendations prior to release of the final report.

Phase IV—Final Activities

- TASB consultant prepares a final documented report of findings and recommendations with all supporting data analysis.
- TASB consultant will present the findings and recommendations to the board of trustees at a board workshop or board meeting.
- TASB consultant will provide an electronic spreadsheet file of all employee pay adjustments and cost calculations.

District Responsibilities

The district will provide TASB with the following:

1. Electronic spreadsheets with payroll data for each current employee (Specifications will be sent to the district by TASB)
2. Current organization chart
3. Documentation of current pay scales and procedures
4. Job descriptions (if needed and available)

The district will provide a contact person for the study to coordinate all onsite meetings, data collection efforts, and provide any additional information needed by the consultants.