

Metro Board Approved Policy

Position Authorization and Compensation Policy

Adopted: February 26, 2004

Historical Perspective

This policy was amended on May 22, 2008.

At the February 2004 meeting, the Board adopted the Position Authorization and Compensation Policy. While the adopted policy has provided staff with general guidance for managing employee's salaries and classifications, it has created some time constraints when trying to move ahead with routine salary offers.

At the May 2005 meeting, the Board approved a revised Position Authorization and Compensation policy. By modifying the policy, the Board will retain overall control of the salary schedule, annual budget approval of wages and benefits, and individual approval for all salary offers in excess of salary midpoints plus 10%, or in excess of \$125,000 per year. It will also ensure that the non-represented compensation program is internally equitable, externally competitive, in alignment with the agency's five year strategic plan, flexible to adapt to changing work environment, affordable, and in compliance with all federal and state employment laws.

At the December 2006 meeting, the Board approved a motion that authorizes the Chief Executive Officer to approve the following:

- A. all non-contract position reclassifications that result in a higher level position and a salary under \$125,000;
- B. creation of new non-contract classifications within the adopted fiscal year budget and FTE's with a salary under \$125,000;
- C. salary adjustments that result in salaries that are within the salary range for the position classification and under \$125,000; and
- D. salary adjustments that result in a salary in excess of the salary range for the position classification if necessary to allow an employee to receive the full benefit of a Board approved LACMTA-wide non-contract salary adjustment such as a cost of living increase.

Board adopted the Fiscal Year 2009 Budget and amended the Position Authorization and Compensation Policy authorizing the Chief Executive Officer to approve all non-contract salaries up to \$200,000, for new hires, reclassifications, salary equities and adjustments and the creation of new non-contract classifications.

The 2017 Metro's non-represented compensation program is designed to attract and retain qualified employees whose experience, knowledge and skills are valued and rewarded through an effective compensation program in order to support the vision, mission, core values and strategic goals of the organization.

Metro's Board of Directors' Position Authorization and Compensation Policy ensures that the non-represented compensation program is equitable, competitive, in alignment with the organization's strategic plan, flexible to adapt to a changing work environment, affordable and in compliance with all federal and state employment laws. The Board's policy provides a higher level of control and oversight over non-represented employee compensation. The policy requires that the Board of Directors approve the following on an annual basis:

- the budgeted number of positions;
- the total budgeted salaries and benefits for each union/non-contract group; and
- the non-represented salary schedule, including inflationary increases.

In fiscal year 2017, non-represented staff received Performance based increases ranging from 1% to 4%. Additionally, the Board of Directors approves on an on-going basis:

- any increases to the number of positions that exceed budgeted authority;
- any salary over the maximum of the established pay grade or any special benefits.



Metro

**LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY**

POSITION AUTHORIZATION AND COMPENSATION POLICY

Purpose

In order to support its vision, mission, core values and strategic goals, Metro must attract and retain high quality employees whose experience, knowledge and skills are valued and rewarded through an effective compensation program. To be effective to Metro, its non-represented employees and the public, Metro must have a total compensation program of both pay and benefits that is internally equitable, externally competitive, in alignment with organizational values, flexible to adapt to a changing work environment, legally compliant, and fiscally responsible to the public it serves.

The Board of Directors is responsible for approving a position authorization and compensation policy. The Chief Executive Officer is responsible for ensuring that the policy is converted to an action plan, budgeted and implemented by staff, and in compliance with the Board's established policy. The Human Resources Department is responsible for developing detailed policies and procedures for action by managers.

If a conflict occurs between this policy and the collective bargaining unit agreement, the collective bargaining unit agreement shall prevail.

Policy

- The Board of Directors will approve, on an annual basis, the budgeted number of positions and salary-range midpoint plus 10% for summary Metro classifications, by Strategic Business Unit. Any salary offers that exceed the midpoint of the range plus 10% must be brought to the Board for approval.
- The Board of Directors will approve on an annual basis, the total budgeted salaries and benefits for each union/non-contract group;
- The Board of Directors will approve any increases to the number of positions occurring during the fiscal year that exceed budgeted authority.
- The Board of Directors will approve, on an annual basis, the non-represented employee salary schedule including inflationary increases.
- The Board of Directors will approve all new non-represented classifications created during any fiscal year.

- The Board of Directors will approve all non-represented position reclassifications that result in salary increases for the incumbent.
- The Board of Directors will approve all salary offers in excess of \$125,000 and/or any special benefit arrangements that deviate from existing policies.
- Metro's compensation system will support and reinforce its organizational values of safety, employees, fiscal responsibility, integrity, innovation, customer satisfaction and teamwork.
- Open, two-way communication will be encouraged for full understanding, support and administration of the system, and its underlying philosophy.
- Metro's total compensation program includes base salary and benefits. Its strategy is to ensure external competitiveness by establishing pay levels that relate to practices in Metro's competitive labor markets.
- MTA's compensation system and pay structure support organizational flexibility and encourage employees to develop competencies and skills that will enable them to grow within the organization.
- Metro will reward individual performance with base pay increases, contingent upon affordability, administered through an effective performance management system.
- Salary ranges are sufficiently broad to allow flexibility so that merit pay increases respond to superior employee performance and external market pressures.
- Individual salary levels within a pay grade will be based on an employee's experience, knowledge, skills and contributions.
- Metro will regularly assess changes in the labor market to ensure that total compensation remains competitive.

**ATTACHMENT B
FY06 NON-CONTRACT EMPLOYEE SALARY SCHEDULE**

Pay Grade	Minimum	Midpoint	Maximum
H1A	\$ 22,247.42	\$ 27,809.81	\$ 33,372.20
H1B	\$ 23,861.34	\$ 29,826.68	\$ 35,792.02
H1C	\$ 25,795.07	\$ 32,244.37	\$ 38,693.67
H1D	\$ 27,944.12	\$ 34,931.75	\$ 41,919.38
H1E	\$ 30,417.24	\$ 38,022.09	\$ 45,626.93
H1F	\$ 33,321.03	\$ 41,650.75	\$ 49,980.48
H1G	\$ 36,653.34	\$ 45,816.68	\$ 54,980.02
H1H	\$ 40,414.19	\$ 50,517.74	\$ 60,621.29
H1I	\$ 43,330.77	\$ 54,162.39	\$ 64,994.02
H1J	\$ 46,673.74	\$ 58,341.11	\$ 70,008.48
H1K	\$ 50,440.99	\$ 63,050.70	\$ 75,660.42
H1L	\$ 54,847.83	\$ 68,559.79	\$ 82,271.75
H1M	\$ 59,898.54	\$ 74,872.64	\$ 89,846.74
H1N	\$ 65,727.43	\$ 82,159.82	\$ 98,592.21
H1O	\$ 72,411.25	\$ 90,515.13	\$ 108,619.00
H1P	\$ 80,090.71	\$ 100,114.46	\$ 120,138.20
H1Q	\$ 88,979.02	\$ 111,224.31	\$ 133,469.60
H1S	\$ 102,655.80	\$ 128,318.68	\$ 153,981.57
H1T	\$ 106,693.81	\$ 133,367.26	\$ 160,040.71
HAA	\$ 113,488.49	\$ 141,861.15	\$ 170,233.80
HBB	\$ 120,477.19	\$ 150,595.95	\$ 180,714.72
HCC	\$ 125,363.16	\$ 156,774.20	\$ 188,185.24
HDD	\$ 201,520.95	\$ 245,854.81	\$ 290,188.67
HFF	\$ 243,574.65	\$ 297,161.38	\$ 350,748.11