

Beartooth Electric Cooperative, Inc.

ADMINISTRATIVE POLICY NO. 626

1. SUBJECT: SALARY ADMINISTRATION

2. OBJECTIVE:

2.1. To provide budgetary authority to the staff as authorized by the Board of Trustees.

3. POLICY:

3.1. During an employee's performance appraisal, an employee's wage or salary may be adjusted within the parameters set by the wage and salary policy.

3.2. Department managers will be held responsible to keep total wage and salary increases, including bonuses, within the department's budgeted payroll amount.

3.3. When awarding a bonus, the following guidelines must be considered:

3.3.1. An increase in base pay or a bonus may be awarded at any time during the year if the employee demonstrates exceptional performance. Such awards must be pre-approved by the General Manager.

3.3.2. In the event the employee's compensation is at or above the market rate set in the wage and salary policy for that position, a bonus may be given if performance exceeds regular work requirements.

3.3.3. Department managers, with the General Manager's approval, may authorize a bonus up to 5% of the employee's base wage. The General Manager may authorize a bonus greater than 5% if, in his/her judgment, exceptional performance has been demonstrated by the employee.

3.3.4. The General Manager shall include in the annual budget an amount for employee recognition programs which shall be utilized to fund employee events, award programs and bonuses. In all cases, disbursements from this account will be pre-approved by the General Manager.

3.4. Promotions/Demotions:

3.4.1. An employee who is promoted or moved to a position with a higher or lower pay scale, will be paid within the new pay grade. A position change may result in an increase in pay, a decrease in pay or no change in pay. A wage or salary adjustment

will become effective the date of the job change.

3.5. Transfer:

3.5.1. An employee requesting a transfer to a position of lower pay will be paid at the new pay grade effective the date of the transfer. Under these circumstances, the individual must successfully complete a six month probationary period.

3.5.2. At management's discretion, an employee may be transferred to another position. Pay will be determined based on the new pay scale and the employee's qualifications. A decrease in pay resulting from a transfer to a lower classification will become effective 120 days from the date of the transfer or sooner if the transfer is due to disciplinary reasons.

3.6. Reclassification:

3.6.1. A position may be reclassified when the job duties change due to company reorganization, change in work requirements or for other reasons. Pay for a reclassified position will be determined by the standard compensation and job evaluation process. An employee in a position reclassified to a higher pay grade will be paid at the appropriate level. The effective date for a decrease in pay resulting from reclassification will depend on circumstances.

4. RESPONSIBILITY:

4.1. All of these programs are subject to Board approval. It is the responsibility of the General Manager to recommend adequate funding for these programs to the Board.

4.2. The General Manager shall ensure that the provisions of this policy are followed.

Adopted: 02/22/2013
Revised: 06/30/2015
Reference: LV Policy 615
Review Date: June 2017

Attest: /s/ Richard Nolan
Secretary/Treasurer

Attest: /s/ Roxie Melton
Board President