

# Memo

**To:** Montana State Library Commission

**From:** Jennie Stapp, State Librarian

**Date:** May 21, 2012

**Re:** 2012 State Library pay incentive strategy

Please know that the State Library currently projects approximately \$90,000 dollars in remaining FY12 personal services funds at the end of the fiscal year. These available funds were generated through vacancy savings that accrued from various positions that were open throughout the year including the State Librarian, the Digital Library Director, the Cataloger and the Statewide Projects Librarian.

With this in mind, I recommend target MSL pay schedule ratio raises for the three lowest paid State Library staff members. These pay raises will bring their salaries to entry level based on the State Library target pay schedule. These raises will increase MSL's on-going personal services costs by \$8,367 annually, an amount we can absorb in our existing budget.

Additionally, I recommend approval of one-time only bonuses for the entire staff. I feel these bonuses are appropriate because:

- They allow us to recognize all staff who continues to work hard for the State Library in the face of nearly four years of pay freezes;
- They are a way for us to thank staff for the extra duties assigned to them as they all helped to cover for open and lost positions;
- They are in keeping with the State Library Broadband Pay Plan policy;
- And, they are one-time only and therefore do not obligate the State Library, or the Legislature, to additional on-going costs.

The recommendation, detailed below, is based on the Governor's Office recommendation to reward the lowest paid employees more and to not make any pay decisions across the board. The Governor's Office has reviewed and supports this recommendation. Please note that the Legislature has not had the opportunity to discuss the current pay raises being given across state government at this time however, as stated, these funds do not obligate the Legislature

to ongoing costs and they are not "across the board," something we were told could be frowned upon.

Bonus allocation:

- Staff making \$10-\$14.99/hour will receive a bonus equal to 5.0% of annual salary (7 staff)
- Staff making \$15-\$19.99/hour will receive a bonus equal to 4.0% of annual salary (8 staff)
- Staff making \$20-\$29.99/hour will receive a bonus equal to 3.5% of annual salary (23 staff)
- Staff making \$30+ /hour will receive a bonus equal to 3.0% of annual salary (4 staff)

Part time staff and staff serving less than a full year in their current position or at their current salary will receive a prorated amount.