

Incentive Pay for Performance

***As defined in the
Williamson
County Budget
Order beginning
in 2008***



Plan Features



- Defined under Fair Labor Standards Act (FLSA) Guidelines as Discretionary
- Represents a deferred portion of compensation earned for current FY (2010)
- Provided at the discretion of the Commissioner's Court and can be modified or terminated at any time, with or without notice, by the Court
- Does not constitute a contract or any contractual obligations or implications of continued employment between the County and its employees.



Plan Features (con't.)

- Rewards outstanding employee performance during 10/1/2009 through 9/30/10.
- County Officials conduct objective evaluation of eligible employee's performance.
- Since this is earned pay, normal deductions for retirement (TCDRS) and employee taxes.
- Employee is responsible for income taxes.
- County will also pay employer's share of FICA taxes and retirement contributions on award amount.



Variable Plan Features

- Optional Payment
- Decision whether to award is made close to the end of the current Fiscal Year.
- Amount Allocated
 - FY 2011 Allocation is \$500,000
- Date of Payment



Eligibility for Incentive Pay

- Full Time Employee Only
- Employed from 10/01/09 to 9/30/10
- If not employed from 10/01/09 to 9/30/10 but have been employed from 7/3/10 to 9/30/10 then eligible for prorated Incentive Pay
- To receive award, an eligible employee must still be employed as of the date that incentive pay is reported to the Payroll Department for processing.



Not Eligible for Incentive Pay

- Elected Officials
- Temporary Employees
- Law Enforcement Tenure Plan (POTS) positions –
 - *Law Enforcement (SO & Constables), Corrections and Investigators positions are scheduled for annual salary increases based on the POTS plan provisions until they reach last step on grade;*
 - *Employees who are eligible for the incentive plan do not receive scheduled, regular salary increases*
- Employees with hire date after 7/3/10 are not eligible for Incentive Payments awarded in FY 2011

Allocation to County Depts



- Based upon total salary expenditures paid during the current fiscal year (FY 2010)
 - Departmental salary expenditure totals will not include:
 - Salaries for Employees who are not eligible
 - Department head salaries
- Court will appropriate funds for use by the governing bodies that oversee non-elected department heads. These bodies include:
 - Commissioner's Court
 - Juvenile Board
 - Elections Board
 - District Judges

Incentive Pay Calculation Factors



Excel template with total FY 2010 wages by eligible employee will be provided to departments and governing bodies to assist with this process.

Basis:

- Total gross wages received by the employee from the County for all work performed during the current fiscal year (FY 2010). Includes:
 - Overtime pay,
 - stipends,
 - longevity pay, etc.
- Percentage allocation to total wages received by employee



Time Table for Award

- Departments complete performance evaluations for each eligible employee by 9/30/10
- Conclusion of current FY and Auditor's office financial processes for fiscal year end payroll totals
- Court determines and approves proposed departmental/governing body allocation of \$500,000
- Within 30 days of receipt of Incentive Pay allocation, department head allocates incentive funds among eligible, meritorious departmental employees.



Recommendations

Variables to be determined by Court:

- Specific \$500,000 allocation by department will be provided in mid-October for Court approval
- Range of Award to an individual:
 - 1% - 3% using whole percentages
 - May reward all meritorious employees with the same percentage or
 - Pay most meritorious employees a higher percentage up to the cap set by the Commissioner's Court for the highest percentage as long as the total dollars awarded do not exceed the department's or governing body's allocation
- Date of Award – December 3rd - 1st pay date in December



Submission of Awards

- Due from departments/governing bodies on 11/19/10
- Submit to HR Department
- HR verifies calculations and "not to exceed" total for department or governing body
- Upon HR approval, submitted to Payroll for payment on date approved by Court



Questions / Comments

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