

## **POLICY MANUAL**

### **CHAPTER 6 - HUMAN RESOURCES POLICIES**

#### **6.20 PAY AND SALARY ADMINISTRATION**

##### **PURPOSE:**

The Mississippi Lottery Corporation (“MLC”) strives to develop and maintain pay practices that attract and retain qualified talent in order to meet our workforce needs. Our pay practices are intended to balance external competitiveness with internal equity. All pay decisions are made without any regard to political affiliation, race, color, disability, genetic information, religion, national origin, sex, gender identity, sexual orientation, marital status, service in the military, religious creed, age, or any other protected status.

##### **POLICY:**

The MLC works diligently to develop and administer pay and salary administration programs to ensure fair and equitable pay among their employees. The MLC pay and salary guidelines are also subject to budgetary authorization and funding limitations. All new hires, promotions, or pay increases must fall within the set pay and salary scale for any position. The Vice President of Human Resources administers the program along with the approval of the President.

##### **PROCEDURE:**

##### **PAY CLASSIFICATIONS:**

The Human Resource department works to develop grades and salary ranges based on market data. Each position is placed in a salary range with a minimum, midpoint, and maximum pay rate. The minimum generally represents the average market rate for a fully qualified candidate. The salary structure may be adjusted annually based on industry data to maintain market competitiveness as long as it is within the pay/salary budget and approved by the Board. Employees who fall below the new minimum of the adjusted pay/salary range will receive an adjustment to the range minimum.

The compensation of an officer at the division head level and above as defined in the Alyce G. Clarke Mississippi Lottery Law shall be determined by the board.

##### **HIRING RATES:**

A new employee’s compensation is based on the applicable salary range and skills and work experience.

## PAY INCREASES:

The MLC adheres to the guidelines passed by the board during the budget process regarding pay increases to employees. Increases are dependent on available funds and may consist of a one-time payment or a percentage increase to base pay.

When an employee's pay reaches the maximum for their pay range, the employee is ineligible for any pay increases that bring his/her pay level above the maximum for the pay range. The employee may be eligible to receive a lump sum amount that does not increase base pay.

## PROMOTIONS:

Promotions occur when an employee is selected for a job vacancy in a higher pay grade, with increased responsibilities. A promoted employee will receive a salary increase to at least the minimum rate of the new salary range. If the employee's salary is already above the minimum established for the pay grade to which the employee was promoted, the employee is not entitled to a pay increase. A promoted employee's pay should not exceed the maximum of the new pay grade.

## LATERAL TRANSFERS:

Lateral transfers occur when an employee is selected for a job vacancy within the same salary grade. Lateral transfers are not eligible for pay increases.

## VOLUNTARY DEMOTIONS:

Voluntary demotions occur when an employee applies for and is selected for a job vacancy in a pay grade lower than their current pay grade. Because a demotion may involve a decrease in duties and responsibilities, a salary decrease may be applicable.

## RECLASSIFICATIONS:

Reclassifications occur when the work performed in a particular position changes substantially over time. A reclassification may also occur after repeated unsuccessful attempts to recruit at current pay levels. Reclassifications require the completion of a job content questionnaire, position benchmarking, and approval by the MLC President. As with all MLC positions, both external competitiveness and internal equity is considered when placing a reclassified position into a new pay range. Employees whose jobs are reclassified will receive a pay adjustment to at least the minimum of the new pay grade. If the employee's salary is already above the minimum of the new pay grade, the employee is not entitled to a pay increase. An employee's pay generally should not exceed the maximum of the new pay grade.