



Compensation System Design

Sarah Boburka, EVP and CFO

Our Goal

Develop and maintain an equitable and transparent compensation system that helps the organization attract and retain our most valuable resource – our people!



Our Process



Leadership Commitment/ Compensation
Philosophy



Compensation Structure



Aligning Roles with Compensation Structure



Developing Compensation Administration
Guidelines



Roll Out/ Communication

Compensation Philosophy/ Commitment

Easterseals' purpose is to make profound, positive differences in people's lives through early learning, child development and disabilities services. We strive to create a positive culture by building a community of purpose-driven employees and trusted leaders. Our compensation approach is designed to ensure [equity](#) and [competitiveness](#) in our pay decisions to, in turn, attract, retain, and reward top talent.

Easterseals' market competitive base pay range [targets the 50th percentile of each job's labor market](#). The labor market for each position is defined by geography, industry and organization size (i.e., assets, operating budget, revenue, and number of fulltime employees) based on the types of organizations with whom we compete for talent.

Jobs are assigned to our pay structure based on [peer analysis and/or market analysis data provided by an independent third-party](#). If peer or market data are not available, jobs are slotted into the pay structure along with jobs of similar scope and responsibility that do have peer or market data available. The scarcity of qualified talent for particular positions is also considered as jobs are assigned to or slotted into the pay structure.

[New hires are placed in their job's pay range based on the experience and education they bring to their role and the organization.](#) Workforce supply and demand is also considered.

[The compensation structures are maintained](#) by leveraging compensation data to adjust the pay structures annually and conducting periodic peer and market analysis on benchmark jobs to ensure accurate job placement within the pay structure. [Easterseals will build a shared understanding across the organization](#) regarding the compensation philosophy and compensation administration practices.

In addition to providing competitive and equitable compensation, Easterseals will provide ongoing training, growth, and development opportunities to our employees.

Compensation Structure(s)

Non-Education Exempt Pay Structure Effective July 1, 2022

Pay Grade	Pay Grade Minimum	Pay Grade Midpoint	Pay Grade Maximum	Pay Grade Increment	Pay Range Spread
7/1/2022					
17	163,439	204,299	245,159	10%	50%
16	148,581	185,726	222,871	10%	50%
15	135,074	168,842	202,610	10%	50%
14	122,794	153,493	184,192	10%	50%
13	111,631	139,539	167,447	10%	50%
12	101,483	126,854	152,225	10%	50%
11	92,258	115,322	138,386	10%	50%
10	83,870	104,838	125,806	10%	50%
9	76,246	95,307	114,368	10%	50%
8	69,314	86,643	103,972	10%	50%
7	63,013	78,766	94,519	10%	50%
6	57,284	71,605	85,926	10%	50%
5	52,076	65,095	78,114	10%	50%
4	47,342	59,177	71,012	10%	50%
3	43,038	53,797	64,556	10%	50%
2	39,125	48,906	58,687	10%	50%
1	35,568	44,460	53,352	-	50%

Aligning Roles with Compensation Structure



- Job Descriptions
- Market Matches
- Validating Market Matches
- Pulling Market Data
- Placing Positions in Grades

Compensation Administration Guidelines/ Policy



Compensation Administration Guide

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Determining Initial Pay Adjustments

The pay increase matrix serves as a guideline when determining annual pay increase decisions. The pay increase matrix is evaluated on an annual basis and updated accordingly. A sample matrix follows:

Pay Range Penetration			
Below Midpoint Range	Midpoint Range	Above Midpoint Range	Over Maximum
0% - 33.3%	33.3% - 66.7%	66.7% - 100%	100+%
MI% <u>Plus</u> 1%*	Market Increase% (MI%)	Higher of MI% <u>Less</u> 1%* or COLA	0.0%

*NOTES:

- *The differential used for the below midpoint and above midpoint ranges may change from year-to-year based on organizational performance, employment market conditions, economic conditions, and other factors.*
- Under Minimum: All employees brought up to at least the minimum pay for their pay grade.
 - Over Maximum: Pay frozen until pay maximum pay for pay grade catches up to their compensation.
 - Eligibility: Meeting performance expectations; employed at least 6 months at time of increase.

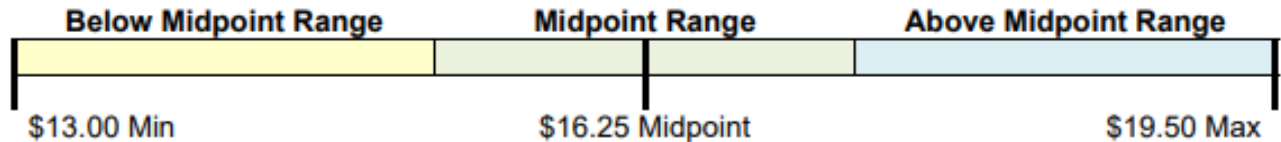
Roll Out/ Communication



Transparent Communication

Thank you for your contributions to advance Easterseals' purpose of making profound, positive differences in people's lives through early learning, child development and disabilities services. As we continue to enhance our compensation and benefit programs, we are pleased to provide you with information about your new pay structure as well as the amount of your FY23 pay increase (if applicable), which will be reflected starting on your July 29 paycheck.

Based on market analysis, **your role has been placed in pay grade 1 on the Non-Education, Non-Exempt structure.** The pay range for your pay grade is:



Your pay range will be lifted annually by a market increase percentage (MI%) provided by our compensation consultants. The MI% is generally larger than the cost-of-living adjustment (COLA) published annually by the U.S. Department of Health and Human Services, which is applicable to Easterseals' Federal Head Start/ Early Head Start grants.

Where your pay falls within the pay range will determine your annual increase, as follows:

- Employees who are meeting performance expectations, have worked for Easterseals at least six months, and have not received a promotion pay increase within the last six months are eligible to be considered for a pay increase in July each year.
- If your pay falls within the below midpoint range (yellow), you will receive the MI% plus an additional increase amount to be determined annually.
- If your pay falls within the midpoint range (green), you will receive the MI%.
- If your pay falls within the above midpoint range (blue), you will receive an increase that is less than the MI% but greater than COLA, provided that increase does not cause your pay rate to exceed your pay range maximum.
- If your pay is above the pay range maximum, you will not receive an increase.

This approach:

- Provides a framework for consistent and equitable pay increase decisions
- Accelerates your compensation if your base pay is lower in the pay range for their job
- Keeps base pay within the pay range

Roll Out/ Communication

- Overall communication to all staff
- Individualized letters for each team member
- Talking points for supervisors
- Individual conversations with each employee

Questions/ Discussion

