



May 2, 2002

DIRECTIVE: JOB CORPS PROGRAM INSTRUCTION NO. 01 - 28

TO: ALL JOB CORPS NATIONAL OFFICE SENIOR STAFF
 ALL JOB CORPS REGIONAL DIRECTORS
 ALL JOB CORPS CENTER DIRECTORS
 ALL JOB CORPS CENTER OPERATORS
 ALL NATIONAL TRAINING AND SUPPORT CONTRACTORS
 ALL OUTREACH, ADMISSIONS AND CTS CONTRACTORS

From: **RICHARD C. TRIGG**
 National Director
 Office of Job Corps

Subject: Staff Salary Adjustments at Contract Centers

1. Purpose. To initiate a process at contractor-operated centers that will lead to budget adjustments that are intended to achieve competitive salary levels for staff positions that were not addressed in the earlier round of salary adjustments.

2. Background. The staff positions that were targeted for review earlier this year included academic and vocational instructors, residential advisors (RAs), security guards/officers and their immediate supervisors. This next round will cover all remaining positions that are funded under center operating budgets. In the very near future, a review of OA and CTS salary levels for staff positions will also be initiated. For further background information, please refer to Program Instruction 01-17 issued February 12, 2002.

3. Scope. This exercise applies to all contractor-operated centers and the contractor organizations.

4. Immediate Actions Required. Center contractors are required to prepare the attached worksheet for each of their centers and to submit the completed worksheets to the Job Corps National Office by May 24, 2002. The worksheets are in spreadsheet format, both Quattro Pro and Excel. They should be submitted as e-mail attachments to the following e-mail address: sputerbaugh@doleta.gov. Contractors should also forward copies of the completed worksheets to their cognizant regional offices for informational purposes.

5. Preparing for Later Implementation of Salary Adjustments. The approved dollar allocations for targeted salary adjustments at each contract center will be issued to regional offices and operators in mid-June 2002. Regional staff and contractors should be prepared to negotiate and execute contract modifications around that time. Regions should strive to issue contract modifications for appropriate increases in estimated cost, effective July 1, 2002.

It is likely that available funds will be adequate to achieve the target averages for all position categories at each center, subject to the same limitations that were applied in the earlier round of salary adjustments. However, as in the earlier round, the target average salary levels are not considered mandatory. Regional offices and operators are allowed reasonable discretion to arrive at specific salary increases and fund allocations that are most appropriate to the conditions and needs at each center. This includes minor shifting of funds from one position category to another. This also includes, on a short-term or temporary basis, using a portion of any budget increase for staff training and development.

Further, as suggested in the preceding section, there should be no expectation that across the board salary increases should be given to each and every current employee in the targeted positions. Salary increases to individuals should be commensurate with the individual's qualifications and performance. DOL is adjusting personnel budgets, not salaries of individuals.

When the fund allocations are disseminated in June, centers that are in line to receive substantial budget increases will be asked to prepare and submit to their regional offices a narrative action plan which describes the measures that will be taken to ensure that salary increases for individual employees will be based on qualifications and performance. The plan should also include information on how issues such as high turnover and recruitment of well-qualified staff, as well as staff training and development, will be addressed at the center.

6. Use of Quattro Pro or Excel Spreadsheet. This Program Instruction requires that data be reported using an electronic spreadsheet. The required spreadsheet format, containing important pre-loaded data, is attached in both Quattro Pro and Excel. Detailed instructions for using the spreadsheet are attached. It is recommended that the first step should be to print and read these instructions carefully. Please note that this spreadsheet is more complex than the one used in the earlier round. Some important points concerning the attached spreadsheet are as follows:

- The spreadsheet requires data that reconciles to a center's "2181" center operating budget. The "2181" referred to is that which was in effect prior to any impact from the earlier round of salary adjustments.
- Due to the need for "2181" reconciliation, data is also needed on those staff positions that were covered in the earlier round of salary adjustments (instructors, RAs, etc.). The budgetary information about these positions should be that which applied prior to any first-round adjustments.

- The spreadsheet requires that data be completed separately for each “personnel” line item in the center’s operating budget (Lines 01, 03, 05, 09, 11, 13, 15, 18, and 20).

7. Correction of Errata In First Round Fund Allocations. As some operators have correctly observed, most of the data sheets that were issued for the first round contained erroneous information concerning the pay levels that were funded for instructors and RAs in the PY 2000 round of salary adjustments. These errors were caused mainly by the inadvertent double application of cost inflation to adjust the levels that were approved as of July 2000 to the start date of a center’s current contract year. Please note that these errors **do not affect new, approved salary levels** for instructors and RAs. There is no need for a center or operator to back-track with staff concerning the new salary levels that have been approved. These errors did, however, affect a center’s “cost basis” in a way which resulted in an under-statement of the yearly budget increases to sustain the new salary levels. We regret any inconvenience that has been caused by these errors. The following steps to resolve the errors have been designed to minimize the administrative burden for all concerned:

- First, regions and operators should proceed to issue “first round” contract modifications using current data sheets and estimated cost profiles, thus enabling the desired salary adjustments for instructors, RAs and security staff to be implemented without further delay. Due to the marginal nature of the errors, it is assumed that contractors will be able to proceed with and fully invoice for the actual costs of the salary increases pending full resolution of these issues as described in the next step.
- The full resolution of these errors will be accomplished in the allocation of funding increases in this second round of salary adjustments. That is, the funding allocations to be disseminated in mid-June will include not only the amounts needed to adjust salaries of positions covered in the second round, but will also include additional amounts to reverse the effects of the errors that were reflected in the first round data sheets.

8. Expiration Date. December 31, 2002.

9. Comments and Inquiries. Direct any comments or inquiries to Steve Puterbaugh at (202) 693-3126, or email to sputerbaugh@doleta.gov. The Department is particularly interested in comments and analyses concerning the appropriateness of the Rocco “pay levels” that have been assigned to the various position titles/categories.

Attachment A - Spreadsheet Instructions (Word)

Attachment B - Spreadsheet (Quattro Pro and Excel)

INSTRUCTIONS FOR PREPARING WORKSHEET FOR PY 2002 TARGETED SALARY ADJUSTMENTS FOR ALL CENTER POSTIONS NOT ADDRESSED IN THE PY 2001 SALARY ADJUSTMENT EXERCISE	
GENERAL INSTRUCTIONS	
Purpose	To provide information that is needed by DOL to determine center contract budget increases, if any that are needed to adjust salaries in the targeted positions to fully competitive levels.
All Budgeted Positions Must be Reflected	All staff positions whose salaries are budgeted in the "personnel" expense categories of the center's operating budget (Lines 01, 03, 05, 09, 11, 13, 15, 18, or 20) must be reflected on the worksheet, including those that were addressed in the PY 2001 salary adjustment exercise . Complete and comprehensive information is needed on all budgeted positions to enable reconciliation of worksheet data with the budget data that appears on the center's current 2181 budget
Subcontractor Submittals	In instances where center staff are furnished by a subcontractor, it would be logistically less burdensome if information about the subcontractor positions were consolidated into the worksheet submitted by the prime contractor. However, if a subcontractor does not wish to share specific salary scale information with the prime contractor, the subcontractor may elect to submit its data directly to DOL on its own worksheet. Primes and subs should coordinate to determine how the data will be submitted.
NTC Staff Not Included	The worksheet should NOT REFLECT positions occupied by National Training Contractor instructors.
Submit Worksheets To:	Completed worksheets should be transmitted as spreadsheet attachment to the following e-mail address within DOL's Office of Job Corps: SPUTERBAUGH@DOLETA.GOV .
Due Date	Completed worksheets should be transmitted to the above e-mail address by May 24, 2002.
Make Copies and Rename	It is recommended that recipients of these instructions make copies of this spreadsheet, giving them new file names. It is suggested that the file name of a center's worksheet that is submitted to DOL incorporate the center's name.
Key Dates	The information to be provided in the worksheet should be that which was in effect on 5/1/2002. The projected effective date of any funded salary adjustments is assumed to be 7/1/2002.
"Current" Budget Data	The worksheet asks for data concerning current budgeted salaries, fringe benefits and other personnel expense. For the purposes of this worksheet, "current" refers to the budgeted average salaries and fringes that were in effect prior to any increases resulting from the recent salary adjustment exercise for instructors, RA's, security staff and their immediate supervisors.

Attachment A

Making Entries	Make entries only on the first sheet (tab: center_data). The other sheets/tabs contain reference information or are needed by the national office to facilitate transfer of data into other software. Entries are made in the blue-shaded cells. The yellow-shaded cells are filled by formulas. The worksheet comes pre-loaded with example data. Simply overwrite the example data with a center's "live" data.
If Rocco Levels Are Determined to Be Inappropriate	If a contractor determines that the "Rocco Recommended" salary level for one or more position titles is not realistic at a particular center, the contractor should nonetheless proceed to fill out the worksheet with the Rocco salary levels and then develop and submit a second, alternative worksheet substituting its own desired salary levels for the Rocco levels. An alternative worksheet must be accompanied by a full explanation/justification as to why the alternative salary levels are more appropriate and realistic than the Rocco levels. Please insure that the term "ALT" appears as part of the filename of any such worksheets that are submitted to DOL.
I. HEADING INFORMATION	
A. Center Name	Enter name of Job Corps center -- just the name, not including the words "Job Corps center".
B. Reporting Organization	Enter name of contractor or subcontractor organization that is preparing the worksheet.
C. Prime Contractor or Sub	Enter "Prime" or "Sub", whichever is appropriate.
D. Subcontractors Who Will Report	If a prime contractor has requested one or more subcontractors to complete the worksheet, it should name those subcontractors in its own worksheet, thus alerting DOL staff that subcontractor worksheets are due for that center.
E. Geographic Adjustor for this Center	Refer to the "geo_adj" tab and look up your center on the table. The "Aggregate Differential" in the column immediately to the right of your center's name should be copied and entered into this cell of the worksheet. The entry should be as a percentage. For example, 98.1% should be entered as ".981".
F. Key Dates	<ol style="list-style-type: none"> 1) Planned Effective Date of Adjustments: 07/01/2002 is pre-loaded. 2) Start Date of Current Contract Year: Enter start date of the contract year that is in effect as of May 1, 2002. 3) Start Date of Next Contract Year: If additional years remain on the contract, enter the start date of the next contract year.

II. ANNUAL BUDGETED PERSONNEL EXPENSE	
<p>OVERALL STRUCTURE</p> <p>Do not add or delete any columns or rows. The existing structure of the worksheet must be maintained.</p>	<p>It is necessary to account for all staff positions that are budgeted in each of the "Personnel" expense categories contained in the standard "2181" center operating budget. These expense categories include lines 01, 03, 05, 09, 11, 13, 15, 18, and 20. A separate section of the worksheet must be completed for each of these expense categories. Further, the budget data entered on the worksheet by the prime contractor should be reconciled and made to agree with the total amounts budgeted for these line items in the last "2181" budget that was in effect immediately prior to the implementation of the PY 2001 targeted salary adjustments for instructors, RAs and security staff. The following are definitions and guidelines for making entries in the in the various rows and under the various columns.</p>
ROWS/STUB HEADINGS	
<p>1) Base Salaries - Position Categories/Titles</p>	<p>In each expense category, the most common position titles/categories are pre-printed. A number of "other/fill-in" lines are also supplied in each category. These may be used if the center has position categories that are not among those that are pre-printed. If the only difference between a center's position title and a pre-printed title is a minor variation in nomenclature, it is requested that these positions be reported against the pre-printed title instead of using one of the "other/fill-in" lines supplied on the worksheet. In each instance where an "other/fill-in" line is used, the operator or center must attach (preferably as a WORD document) a list of the major duties of the position category (or categories) being written in. Also note that base salary data needs to be reported separately for each position/title category.</p>
<p>2) Other Salary Expense/Savings</p>	<p>Budget data needs to be reported on an "expense category" basis for various add-ons and reductions to base salary. The pre-printed row headings include vacancy factor savings, over-time and night/holiday pay differentials, and bonus or incentive pay. An "other/fill-in" row is provided for any other types of budgeted adjustments to base salary costs.</p>
<p>3a) Employer Paid Fringe Benefits Whose Costs are Sensitive to Base Salary</p>	<p>Budget data needs to be reported on an "expense category" basis for employer-paid fringe benefits whose costs are sensitive to changes in base salary. Most typically, these are fringes that are computed as a percentage of salary, such as FICA payroll taxes.</p>
<p>3b) Employer Paid Fringe Benefits Whose Costs are Not Sensitive to Base Salary</p>	<p>Budget data needs to be reported on an "expense category" basis for employer-paid fringe benefits whose costs are not sensitive to changes in base salary. Most typically, these are fringes that are computed on a per-capita basis, as are most health insurance benefits.</p>
<p>4) Other Personnel Expense Not Listed Above</p>	<p>Budget data needs to be reported on an "expense category" basis for other personnel expense that does not fit any of the preceding categories. If entries are made in this row, the types of expense being budgeted should be described or captioned in the "box" provided being the stub heading.</p>

Attachment A

<p>5) Personnel Expense to Be Reported By Major Subcontractor</p>	<p>If personnel expense in this "2181" line item is to be reported separately by major subcontractor(s), the prime contractor must display the total of these amounts. This is necessary to enable reconciliation of the prime contractor's worksheet with the corresponding data on the current "2181" operating budget.</p>
<p>COLUMN HEADINGS</p>	
<p>(a) Budgeted FTE Positions</p>	<p>The focus is on budgeted positions, which is not the same thing as positions that happen to be occupied at the time the worksheet is completed. For each position title listed, identify the number of FTE positions that are funded in the budget for the current contract year. It is assumed that this number will remain the same in the next contract year. If this is not so, provide an explanatory note in the comments section. Also note that prime contractors should not provide data on any positions that are being reported by a subcontractor.</p>
<p>Current Average Budgeted Staff Compensation Rates and Costs Prior to Implementation of Phase I Salary Adjustments, Columns (b) thru (e)</p>	<p>These columns are used to reflect currently budgeted compensation rates and costs, but not to include any increases that are being provided for academic and vocational instructors, residential advisors, security staff and their immediate supervisors in connection with first round of salary adjustments that was initiated earlier in the year. Entries are made under columns (b) and (c). Columns (d) and (e) are filled via formula.</p>
<p>(b) Average Base Salaries for Current Contract Year</p>	<p>The focus is on budgeted annual salaries, which is not necessarily the same thing as salaries that are actually being paid to current employees at the time the worksheet is being completed. For each position title listed, enter the average (mean) budgeted annual base salary for the current contract year. The average mean base salary is computed by taking the annual base salary for each position reflected, summing these amounts, and dividing the sum by the FTE positions reflected. Also note that prime contractors should not provide data on any positions that are being reported by a subcontractor.</p>
<p>(c) Average Base Salaries for Next Contract Year</p>	<p>Provide the same information as in column (b), except for the next contract year. If the current contract year is the final year of the contract, leave blank.</p>
<p>(d) Budgeted Costs for Current Year</p>	<p>Base salary expense is computed by formula per FTE data and average annual salary data. For the other items of expense (fringe benefits, etc), enter the amounts budgeted in the current contract year on the appropriate rows. The bottom line total on row 6, TOTAL PERSONNEL EXPENSE, must agree with the corresponding line item on the center's "2181" operating budget.</p>
<p>(e) Budgeted Costs for Next Year</p>	<p>Provide the same information as in column (d), except for the next contract year. If the current contract year is the final year of the contract, leave blank.</p>

Attachment A

<p>Rocco Recommended Salaries, Columns (f) thru (h)</p>	<p>For each position title, these columns display the average annual salary levels that are deemed fully competitive in the center's local labor market. For purposes of this spreadsheet, these salary levels are being displayed for information purposes only. The actual increases in current salaries that will subsequently be funded by the Department of Labor will not be announced until mid-June 2002. The salary levels shown incorporate appropriate adjustments based on geographic location, along with a further appropriate inflation adjustment based on time elapsed between time-frame of the Rocco compensation study and the start dates of the contract years.</p>
<p>(f) Pay Level</p>	<p>The staff compensation model recommended by the Job Corps compensation consultant (James E. Rocco) provides a graduated salary structure containing 10 pay levels, with the center director position being in the highest level (10). Other position categories were assigned to pay levels based on the consultant's database and supplementary research on the prevailing rates of pay for these types of positions.</p> <p>The compensation review that was conducted in Spring 2001 covered 25 different positions, representing the vast majority of staff positions at Job Corps centers. There is a number of position categories pre-printed on the worksheet that were not specifically addressed in the compensation study (e.g., academic testing coordinator, driving instructor, finance manager, and so forth). For these position categories (which are identified by asterisk on the worksheet), Job Corps national office staff obtained advice from knowledgeable persons in the Job Corps community to determine the pay levels to which these positions should be assigned.</p> <p>In those instances where a center needs to use an "other/fill-in" row for a position category that is not pre-printed on the worksheet, it will also be necessary to enter in column (f) the pay level (1-10) which the center believes is most appropriate.</p>
<p>(g) Rocco Recommended Salary for Current Contract Year</p>	<p>For each position title, the worksheet will display recommended average annual salary based on the pay level (1-10) that has been designated. These salary levels reflect appropriate adjustments for geographic labor cost differences and cost inflation due to time elapsed since the Job Corps compensation study was conducted.</p>
<p>(h) Rocco Recommended Salary for Current Contract Year</p>	<p>Same as for preceding column, except that the dollar levels are increased by 4% to reflect the normal yearly inflation in labor costs.</p>
<p>Phase I Approved Average Base Salary Levels (If Applicable) (i) Current Contract Year (j) Next Contract Year</p>	<p>For those limited number of position categories that were already covered in the previous salary adjustment exercise (targeted to academic instructors, vocational instructors, residential advisors, security staff, and their immediate supervisors), enter under columns (i) and (j), the new average budgeted salaries that have been approved for the current contract and next contract year, respectively. This information is, of course, available in the Job Corps national office, but it would be appreciated if the center or operator would enter it here as a courtesy.</p>