

Procedure Title: Staff Compensation Structure

Impact: Staff

Responsibility: Human Resources

Effective Date: 07/01/17

Last Update:

Relates to Policy: 3.02.16

Legal Citation(s):

All benefit-eligible staff employees are compensated per a structure approved by the Board of Trustees. This procedure does not apply to positions designated as faculty or non-benefit eligible.

I. Position Placement and Evaluation

- A. Benefit eligible staff positions must have a job description on file with Human Resources. The Human Resources department works with the hiring supervisor to establish an accurate position description.
- B. Human Resources utilizes job descriptions to place the position into a staff compensation structure and grade in consideration of the position's responsibilities, scope, decision-making authority, organizational impact, required experience, oversight of others (as applicable), and educational requirements.
- C. Benefit eligible staff positions are categorized as exempt (overtime ineligible) or non-exempt (overtime eligible) according to guidance under the Fair Labor Standards Act (FLSA). Exempt staff positions are paid on a salary basis while non-exempt staff positions are paid on an hourly basis.
- D. The staff compensation structures provide for step placement and movement as noted in Items II and III as follows.

II. Initial Placement on Compensation Structure

- A. Initial placement on the approved compensation structure occurs at the point of hire into a benefit eligible position.
- B. Before an employee is offered benefit eligible employment, Human Resources will evaluate the employee's education and experience to determine which step the employee should initially be placed. Additional consideration is given to internal equity for existing employees in the same or similar positions.

- C. The step identified by Human Resources is the step that will be offered to the employee.
- D. Initial placement will not exceed the midpoint level of the position's identified grade on the compensation structure. This maximum placement level ensures pay compression issues are minimized as new hires begin working along staff already placed and advancing through the steps. Any exceptions to initial placement will require approval by the President and Human Resources.

III. Advancement on the Staff Compensation Structure

- A. Employees will advance one step along their designated grade for each year of benefit eligible service.
- B. Employees will first become eligible for step advancement after working for at least 90 days of the previous fiscal year.
- C. Step advancement will occur at the beginning of each fiscal year or at the beginning of the year designated by the employee's employment agreement, where that date is later. Human Resources will communicate to each employee the amount of their new pay rate and the date on which the rate will begin prior to the start date of the new rate.
- D. Movement of a position from one structure and/or grade to another structure and/or grade is not allowed unless a position reclassification is requested and approved. Benefit eligible staff can only change compensation structure grades when the position has permanently and significantly changed. When this occurs, the position must follow the Human Resources reclassification process.
- E. Benefit eligible employees may move from one structure and/or grade to another if the employee applies and is hired for another advertised and open staff position, according to the appropriate Human Resources department hiring procedures.

IV. Payments to Employees at the Grade Maximum

- A. Once an employee reaches the maximum step of their grade, the employee's base pay will not advance beyond the maximum rate of the grade assigned to the position.
- B. To recognize employees for their year of service, employees who have reached the maximum step of their grade on the appropriate compensation structure will receive a stipend equivalent to 2.5% of their annual salary.
- C. Human Resources will communicate to each employee the amount of this stipend payment and the date on which the payment will be made.