

# Davis Technical College

## Salary and Wage Administration Policy

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### 1. Purpose

To provide guidelines for the Davis Technical College (College) salary and wage program for all positions within the College.

### 2. Policy

#### 2.1. Full-time Employees

**2.1.1. Employee Pay Schedule** - A separate pay schedule will be utilized for Faculty, Classified, and Professional/Administrative employees. These pay schedules establish wage ranges for jobs at the various pay grades.

**2.1.1.1. General Wage/Salary Adjustments** - To maintain competitive wages, a wage survey will be conducted to update the pay ranges at least every five years or as market conditions warrant. On all occasions, the amount of the rate change will ultimately be based upon the anticipated effect upon the College budget. Final determination and any changes to the pay scale shall be approved by the College Board.

**2.1.1.2. Cost of Living Adjustments (COLA)** - Adjustments to the pay schedule may be done once per year to adjust for increases in the cost of living. On all occasions, the amount of the rate change will ultimately be based upon the anticipated effect on the College budget. Final determination and any changes to the pay scale shall be approved by the College Board.

#### 2.1.2. Pay Grades

**2.1.2.1. Faculty** - Separate pay grades shall be established for Faculty and determined based on a hybrid of two factors. The first factor is the level of education and is divided into separate pay grades for high school diploma plus industry certification and/or industry experience, Associate degree, Bachelor's degree, and Master's degree. The second factor for establishing pay grades is based on each specific discipline being taught.

**2.1.2.1.1.** The College Administration may, from time to time, adjust the pay grade corresponding to any discipline, and may also change the required certifications for each pay grade designation.

**2.1.2.2. Classified and Professional/Administrative Employees** - Each job is rated using the Factor Point Worksheets. New jobs or job descriptions with significant changes will be rated by the Human Resource Department and approved by the President's Council. Requests to have a job description re-rated may be submitted as provided in the Job Descriptions Policy.

### **2.1.3. Pay Schedule Placement**

**2.1.3.1. Initial Appointments** - All initial appointments to positions assigned to pay ranges on the compensation plan shall normally be at the minimum rate of the range. Exceptions may be allowed if: (1) a qualified employee cannot be recruited for the position at the beginning rate, and (2) the qualifications of the individual selected for the position exceed the minimum requirements and the individual can be expected to perform at a level equal to that of other individuals currently being paid at the same rate. Initial placement above the first quartile of the pay range requires prior approval of the Director of Human Resources. Initial placement may not exceed 95% of the midpoint of the pay range. The Director of Human Resources shall monitor all recommended starting rates for compliance to policy.

**2.1.3.1.1. Faculty** - Pay grade placement will be determined based on the highest grade that corresponds to either the level of education completed by the individual employee, or the grade designated for the program discipline.

**2.1.3.2. Additional Pay Schedule Credit** - The President may authorize salary schedule placement at greater than 95% of midpoint in the following situations: (1) when a qualified applicant cannot be recruited at the 95% of midpoint salary rate; or (2) when the President, based on a recommendation from the Interview Committee, (as established by the current Hiring Policy and Procedures) determines that the College's best interests would be served by granting salary credit for additional skills and/or experience.

**2.1.3.3. Allowance for Special Services** - The Administration and College Board may grant to an employee compensation above the basic schedule for special services. The award of any amount for special services shall not establish any right or expectation for any continuing award and the award may be terminated upon reassignment of the recipient without application of the provisions of the Disciplinary Sanctions of Personnel Policy. Faculty who are designated as Lead Instructors will receive additional compensation as defined in the Classroom Coverage Policy.

**2.1.3.4. Pay Schedule Placement Approval** - All required approvals from department managers, division administrators, College President, Budget, and Director of Human Resources must be obtained in writing prior to any notification or communication of a base pay decision to an employee or prospective employee. All exceptions to annual base pay criteria must be approved by appropriate administrative levels.

### **2.1.4. Provisions Governing Change in Pay Grade**

**2.1.4.1. Faculty** - Each Faculty position will have a written job description which will specify the required education level for that position, and the assigned pay range will be designated accordingly. If a faculty member completes additional educational degrees, they may be eligible for changing pay grade levels and receiving a salary increase.

**2.1.4.1.1. Application** - All completed pay grade change requests (including official transcript of credits) must be submitted to the College Pay Grade Change Committee on or before the 1st of the month to allow the appropriate salary adjustments to be approved by the College Board and compensated as close as possible to the next pay period.

**2.1.4.1.2. College Degrees** - College degrees used for pay grade changes must be granted from accredited institutions of higher education as recognized by the U.S. Department of Education.

**2.1.4.1.3. Approval** - Upon approval by the College Pay Grade Change Committee, all requests shall be endorsed by a representative of the Committee and forwarded to the Director of Programs for review and implementation after approval by the College Board. Applications (including official transcript of credits) that are approved will be maintained in the College employee personnel file.

**2.1.4.1.4. Salary Adjustments Related to Change in Pay Grade** - Salary adjustments given because of a pay grade change shall be provided based on the provisions for earning an additional educational degree as outlined in this policy. The amount of the pay increase may exceed the amount outlined if adjusting to the minimum for the pay range exceeds the provisions of the policy. Requests (including official transcript of credits) taking longer to approve, will be processed retroactively.

**2.1.4.1.5. Non-Approved Degrees** - College degrees which are not acceptable to the College Pay Grade Change Committee and the Director of Programs will be rejected, the reasons therefore stated, and the application returned to the applicant.

**2.1.4.1.6. Pay Grade Change Committee** - The College Pay Grade Change Committee shall be comprised of a group of employees consisting of six faculty members as appointed by, and along with the Director of Programs and the Director of Human Resources.

**2.1.4.2. Classified and Professional/Administrative Employees**

**2.1.4.2.1. Promotions** - Upon being promoted to a position in a higher pay grade classification, the employee will be eligible for at least a three percent (3%) and not normally more than a five percent (5%) increase on the pay range. The employee shall retain the increase and the promotion, provided he/she demonstrates the expected level of competence required to perform the duties in the higher-level position and receives a satisfactory performance review from the immediate supervisor. The amount of the pay increase may exceed the 5% ceiling if adjusting to the minimum for the new pay range exceeds the 5% limit.

**2.1.4.2.2. Job Re-rating** - Re-rating of the employee's existing job shall not be considered a promotion. In the case of a job re-rating, the employee may receive a wage adjustment, as necessary, to bring the employee up to the minimum for the new pay range.

**2.1.4.2.3. Transfers** - When employees transfer to a lateral position on the pay schedule, they will be placed on the appropriate pay grade for the new position such that they maintain their existing wage. When employees transfer to a lower position on the pay schedule, they will be placed on the appropriate pay grade for the new position with a wage which is not greater than 95% of the midpoint of the new pay range.

**2.1.4.2.4.** The provisions of this policy do not alter the provisions of the Disciplinary Sanctions of Personnel Policy, or the criteria established in that policy for probationary status.

**2.1.5. Wage Increases** - Each year, the President's Council will determine and recommend the total dollar amount of funds available for college pay increases. The amount available for COLA increases will be established and distributed equally on a percentage basis to all eligible employees. The remaining funds will be allocated to eligible employees based on pay progression calculations and management discretion. The individual increase amounts will be compiled and calculated by the Director of Human Resources. These results and recommendations will then be submitted to the President's Council for review and approval. On all occasions the amount of the wage change will ultimately be based upon the anticipated effect upon the College budget. Final determination and any changes to pay rates shall be approved by the College Board of Directors.

**2.1.5.1. Pay Progression** - Progression through an employee's pay range within the salary and wage scale shall be based on their compa-ratio placement on the Performance Based Pay Progression Table. Following the employee's performance evaluation, employees who achieve all acceptable ratings, shall have their placement on the table calculated by the HR department. Employees who receive any ratings of "Unacceptable" on their evaluation or are on an EPI may not receive an increase under the Pay Progression. The table is designed so that employees whose compa-ratio is below midpoint will receive a higher percentage increase than employees who's compa-ratio is above the midpoint.

**2.1.5.2. Minimum to Midpoint Progression** - It is the objective of the College that employees acquire job skills which are considered full performance level within their job classification by the time they arrive at midpoint of the pay range of the job classification in which they are hired to perform. It is the responsibility of the supervisor to identify the essential skills, competence, and quality of work which will satisfy the full performance requirement. Full performance should be achievable in approximately five years.

**2.1.5.3. Midpoint to Maximum Progression** - Compensation at the midpoint is considered market competitive. To be considered for increases beyond the midpoint, the employee must receive an acceptable performance rating on their annual performance evaluation. Employees who meet this requirement and progress at a normal rate may be recommended for increases. Increases may be received up to the maximum of the pay range. Upon achieving the maximum, the employee will only be eligible for any general increase or adjustment to the pay range (i.e., market, COLA, etc.).

**2.1.5.4. Red Circle Rate** - Red Circle Rate refers to the rate of pay for an employee whose pay falls above the current maximum salary for the pay grade to which assigned, reclassified, or transferred. Such employee(s) shall be placed on a wage freeze and shall only be eligible for cost-of-living adjustments given, and no increase based on the Pay Progression Table. If the employee's rate of pay falls back within the assigned pay range, the freeze shall be lifted. In limited situations, additional pay may be provided for specific positions as stipends or when necessary for retention. When this occurs, the amount of retention or stipend money is not included as base pay, so hence is not used when determining whether the pay rate is above the range maximum.

**2.1.5.5. Management Discretion** - In conjunction with the performance evaluation and annual increases, managers may recommend an additional pay increase as allowed within the annual budget. The purpose for this may be to 1) recognize exceptional performance, 2) reduce employee retention issues, and/or 3) address pay inequities. The manager will complete a Discretionary Pay Increase form, where they will describe and give justification for requesting additional pay increases. Some of the reasons for discretionary increases may be intangible and difficult to quantify. They may build upon or be in addition to what is covered in the employee's performance evaluation; however, they should normally be consistent and reflective of the items covered there.

**2.1.5.5.1.** The funds available for discretionary increases will be allocated to each campus division, based on the recommendation of the President's Council. Division Vice Presidents will then determine the increase amounts for the employees within their division, based on recommendations from the department directors and managers, and as justified on the Discretionary Pay Increase Request form. The requested increases will then be calculated and summarized by the Director of Human Resources and reviewed for approval or revisions by the President's Council and College Board.

**2.1.5.5.2.** Discretionary increases will normally be added into the employee's base pay; however, it may also be determined that a discretionary one-time stipend may be given, which is not added into base pay. This may be done for any employee including those who are Red Circled and will be determined based on budget constraints. As these stipends are one-time, they are to be evaluated and awarded for that year only and are not automatically renewed or committed to in future years. It is not intended that such one-time stipends be renewed from year to year in a manner that gives the appearance of an increase in base pay.

**2.1.5.6. Adjustments to Performance Based Pay Progression and Discretionary Increases** - Changes may be made on an annual basis to the weighting and percentages given for Performance Based Pay Progression and Management Discretionary increases, as approved by the College Board. The actual pay increase given to each employee shall be adjusted to reflect budgetary constraints.

**2.1.6. Salary Adjustments Related to Additional Educational Credentials** – Full-time (40 hours per week) salaried employees shall be eligible for salary adjustments given as a result of earning additional educational degrees and credentials.

**2.1.6.1. Educational Degrees** – Eligible employees who earn an additional educational degree from an accredited institution of higher education shall receive a two percent (2%) increase on the employee’s current base salary. Salary adjustments shall become effective at the beginning of the next payroll period following the month of the original submission. Documentation of the degree needs to be provided after employee finishes class. Requests taking longer to approve, will be processed retroactively.

**2.1.6.2. Educational Certificates** - Eligible employees who earn an educational certificate, related to the employee’s field of employment at the College, from an accredited institution of higher education shall receive a one percent (1%) increase on the employee’s current base salary. Documentation of the certificate needs to be provided after employee finishes class. Salary adjustments shall become effective at the beginning of the next payroll period following the month of the original submission. Requests taking longer to approve, will be processed retroactively.

**2.1.6.3. Industry Certifications and Licensures** -- Eligible employees who earn an industry certification or licensure, related to the employee’s field of employment at the College, shall receive a one-time stipend equal to two percent (2%) of the employee’s current base salary. Employees need to submit a pre-approval form to manager before starting the process. Renewals of certifications are not eligible. Certifications required as a course of study towards a degree are not eligible. Certification or license should be equal to above their position. One license or certification per fiscal year. Documentation of the certificate needs to be provided after employee finishes class.

**2.1.7. Longevity Incentive** - To recognize and reward employees who meet various length-of- service milestones, the College will award certain additional benefits. Full-time (40 hours per week), benefited employees may participate in this program. Following the completion of each five-year increment of full-time (40 hours per week) employment, eligible employees will receive:

Award	Years of Service							
	5	10	15	20	25	30	35	40
A) Luncheon w/ President	✓	✓	✓	✓	✓	✓	✓	✓
B) Logo Item in Bookstore	✓	✓	✓	✓	✓	✓	✓	✓
C) Additional Paid Day Off	1 day	1 day	1 day	1 day	1 day	1 day	1 day	1 day
D) Stipend Amount (gross)	\$450	\$550	\$650	\$750	\$850	\$950	\$1,050	\$1,150

**2.1.7.1. Procedure** - These awards will be presented based on the following schedules: a) A luncheon with the College President will be scheduled annually and all recipients of the awards will be invited to attend. b) The employee may select a logo item from the bookstore at approximately \$40 value. c) One additional paid day off will be provided. This day must be used within one (1) year from the date awarded. d) The designated stipend will be paid as a one-time cash payout. The stipend amount is treated as gross pay and will have any necessary taxes deducted.

**2.1.8. Rate of Pay**

**2.1.8.1. Full-Time (40 hours per week) Salaried Employees** - The hourly rate of pay for full-time (40 hours per week) salaried employees shall be determined by dividing the employee’s base salary by the product of 8.0 hours per day times the nominally available 260 days per year. This equals 2080 hours per year.

**2.1.8.2. Nine Month Faculty** - The hourly rate of pay for full-time (40 hours per week) salaried nine-month Faculty shall be determined by dividing the employee’s base salary by the product of 8.0 hours per day times 212 days per year. This equals 1,696 hours per year.

**2.1.8.3. Ten Month Faculty** - The hourly rate of pay for full-time (40 hours per week) salaried ten-month Faculty shall be determined by dividing the employee’s base salary by the product of 8.0 hours per day times 235 days per year. This equals 1,880 hours per year.

**2.1.8.4. Full-Time (40 hours per week) Classified Hourly Employees** - The hourly rate of pay for full-time Classified employees is defined and listed in the Classified Hourly Pay Schedule, for each corresponding pay grade.

**2.2. Part-Time Hourly Employees** - Wages for part-time hourly employees are determined at the time of hire based upon the appropriate Employee Pay Schedule and placed within the range based on market and internal equity. No paid leave, paid holidays, insurance benefits, or employer paid retirement contributions are available to part-time hourly employees. Ratings for Classified employee jobs at pay grade 7 or lower will be rated by the Director of Human Resources and approved by the division administrator. Classified employee jobs placed at pay grades below grade 1 do not require a formal job rating and will be placed at an hourly wage based on market conditions, as necessary, rather than on experience. Care should be taken to ensure that similar positions within a department are hired at similar starting hourly wages. Starting wages should be reviewed for consistency and equity by Human Resources.

**2.2.1.** Part-time hourly employees of the College are only authorized to work schedules of less than 30 hours per week. All supervisors of part-time hourly employees, working in any position for the College, are required to monitor the hours worked by part-time hourly employees and ensure that hours worked stay at less than 30 hours per week.

**2.2.2. Part-Time Hourly Employee Pay Progression** - Pay increases are not processed automatically for part-time hourly employees. Pay increases may be requested by the supervisor after a satisfactory performance evaluation. Part-time hourly employees may be eligible for up to a five percent hourly rate increase, based on their current hourly rate, but may not exceed the midpoint of the salary range during the first year of employment.

**2.2.2.1.** Generally, pay increases for part-time hourly employees will only be provided during periods in which College and department budgets will allow for such, and when salaried employees are also eligible for increases. The President's Council may determine the periods in which increases may be provided and set a standard rate for increases.

**2.2.2.2.** Any request for pay progression must be approved by the division administrator and Director of Human Resources. Requests which may be outside of the standards established must be reviewed by the President's Council for approval.

**2.2.3. Performance Evaluations for Part-time Hourly Employees** - During the first year of employment each part-time hourly employee should have periodic performance reviews with their supervisor, typically at three and six months. Thereafter, performance reviews should be conducted annually. Based on budgets, eligibility, and subject to satisfactorily meeting the performance standards and expectations for their position, the supervisor may request pay progression for that employee. The individual pay rate is not to exceed the maximum of the pay range.

**2.2.3.1.** Annually, it should be documented for each employee, whether a pay increase is recommended. If budgets do not allow for increases during the period, then this should be noted. When increases are not recommended, whether based on performance or market/industry standards, or other reasons, this should be noted as well. Future increases are not necessarily intended to catch-up an employee who was passed over for increases in the past.

**2.2.4. Promotions** - Upon being promoted to a salaried position, the hourly employee does not maintain their current hourly rate of pay and is subject to the hiring and pay placement as discussed under 2.1.3 Pay Schedule Placement.

**2.3. Salaries of Executive Employees** - The salaries of Executive employee positions are set by the College Board.