

## UNIVERSITY CORPORATION AT MONTEREY BAY BOARD POLICY

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### **Policy 302**

### **Employee Compensation Policy**

Section: 300- Personnel

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#### **1) PURPOSE**

- a) The purpose of this policy is to provide a policy framework for a compensation plan to ensure that the Corporation is able to recruit and retain well-qualified employees for positions within the Corporation. The framework for this plan covers all Corporation positions not addressed by the Executive Compensation Policy.
- b) The compensation plan is to:
  - i) Establish wages and salaries for positions that are competitive with the salaries and benefits being paid to comparable jobs in other educational institutions in the area or in commercial operations of like nature;
  - ii) Provide a wage and salary structure that is internally and externally equitable and which ensures that positions with equal skill, effort, responsibility and working conditions receive equal pay;
  - iii) Recruit and retain well-qualified employees for positions within the Corporation; and
- c) Maintain salary and benefit costs within budgetary limits established by the Board of Directors.

#### **2) POLICY**

##### **a) Equitable.**

- i) **Externally Equitable:** The Corporation Human Resources Manager conducts salary surveys to assist in establishing and/or adjusting the wage and salary ranges for positions. An independent consultant may be used to conduct salary surveys. Surveys include other commercial organizations and non-profit corporations within the Monterey Bay and Central Coast areas and/or auxiliary organizations within the California State University and University of California systems which have positions that perform services that are comparable to the Corporation's positions. Published survey sources (i.e., AOA salary survey, CUPA) may also be used to conduct a competitive market analysis of comparable positions within similar industries.
- ii) **Internally Equitable.** The Corporation will evaluate its internal wage and salary structure to ensure that positions with equal skill, effort, responsibility and working conditions receive equal pay. The Corporation's Salary Administration Guidelines and Job Ranking Criteria are used to assist in the job evaluation.

- b) **Merit Salary Adjustment.** Management and non-management salary plan positions are eligible for annual wage or salary adjustments based on merit within the range for their respective job classifications. The employee's immediate supervisor prepares performance evaluation to support any merit salary adjustment. Such salary adjustments are granted only if the employee is satisfactorily meeting or exceeding the performance standards for his/her position. Merit salary increases must be approved by the department head (or Executive Director in situations where he/she is the next higher level of supervisor and the Human Resources Manager. An employee is eligible for merit salary adjustment after he/she reaches the maximum rate of the range for his/her job classification in conjunction with the performance evaluation program.

- c) **Salary Grade Adjustment.** Changes in an employee’s level of responsibility may result in his/her position being assigned a different salary range. If a position is assigned a higher salary range, the incumbent will normally have his/her wage adjusted to the minimum of the range or receive a pre-approved percentage increase, whichever is greater. When a position is assigned to a lower salary range, his/her salary may be reduced to the top of the lower salary range or retained at the existing level for a specified period of time dependent upon the circumstances.
- d) The Executive Director and HR Manager are responsible for ensuring that this policy is executed in a fair and equitable manner.

**3) RELATED DOCUMENTS**

- a) None