

Staff Compensation Philosophy, Policy & Practices

OBJECTIVE: To outline CCA staff compensation policy and procedures, including compensation philosophy, strategy and pay increase practices.

ELIGIBILITY: This policy is applicable to all non-union, staff-regular employees. Please note that pay increases for staff in the bargaining unit are dictated by the collective bargaining agreement (CBA).

COMPENSATION PHILOSOPHY:

The college strives to deliver a total compensation package that is relevant and reflective of our industry, and enables us to attract, motivate and retain talented staff for successful careers at CCA by utilizing an equitable, clear and progressive process that is within the college's available resources. We want to encourage innovation that advances the college's mission and values, while providing transparency and setting expectations around compensation management at the college.

COMPENSATION STRUCTURE & BENCHMARKING:

- Simplified compensation structure targeting 50th percentile market data
 - Consists of 1-13 grade levels that have a minimum, midpoint and maximum
 - Each position is placed within a grade based on market data
 - All positions are benchmarked to predetermined competitive sets (such as non-profit and for-profit higher education institutions located in the Bay Area, California and nationwide) with an organization size of 1,000 or greater employees.
 - Data is sourced by Payscale salary surveys and CUPA

PROCESS FOR DETERMINING POSITION PAY & COMPENSATION GRADE:

1. HR reviews the position description to determine the appropriate [position level](#). This involves evaluating position criteria including education, oversight, skills and level of position autonomy and authority.
2. Each position is evaluated individually utilizing market data, as well as comparing internally with similar level positions.
3. CCA strives to be on average, at market (50th percentile) with total compensation. However, we use market data to recognize that some positions demand greater competitiveness in pay.

4. When the position pay has been determined, the position is placed into the compensation grade that has a midpoint similar to the market pay.
5. Typically, it is best practice to make a new hire in the lower half of the compensation grade, so that there is growth available within the range (rather than hiring at the midpoint). As a staff member gains proficiency in a position, their pay should move towards the midpoint. As they become an expert, their pay will move to the higher end of the range.
6. Internal equity and salary compression are also considered when reviewing position pay and pay ranges.

HIRING & NEW POSITIONS:

- New hires will typically be hired into a pay rate that is in the lower half of the compensation grade, while also taking internal equity into consideration.
- New hires will not be paid below the compensation grade minimum
- New positions need to be reviewed by Human Resources, and Human Resources will provide an appropriate pay rate based on job description, position level, market data and our compensation structure
- Human Resources and Finance determine compensation for positions

MAINTENANCE AND RESOURCES:

- The college uses Payscale as our primary compensation management tool
- All grade ranges are evaluated on an annual basis by Human Resources
- Position pay rates are reviewed on an annual basis against market data, to determine if adjustments are appropriate
- College benefits are evaluated on an annual basis and compared to market trends to ensure they remain competitive to the market
- The college issues a total compensation statement in July of each year to provide an overview of the employee total compensation package.

NON-UNION STAFF COMPENSATION ADJUSTMENTS

Annual Increases:

- The college typically budgets for an annual increase for all non-union staff. This increase is determined during the annual budget planning process and is dependent on the overall financial health of the college.
- Annual increases go into effect with the start of the fiscal year on July 1.
- Staff who have received a pay increase between January 1 - June 30 of that same year are not eligible for an annual increase.
- If a staff member is at the maximum of their grade, their annual increase will be issued as a monthly stipend, rather than a base salary increase.

Market Adjustments:

- During the annual budget process, Human Resources will review position pay against the market to determine if adjustments need to be made for positions to remain within the grade range and in alignment with our compensation philosophy.
- HR will partner with Payscale to complete market analysis as needed.
- Please note that if market adjustments are made, this may be incorporated into annual increase amounts and staff should not necessarily expect both types of increases.

Promotions:

- A promotion may be available when an employee has demonstrated proficiency and skill in their current position and has prepared to take on additional responsibilities at a higher level.
- A promotion plan for an employee should be reviewed during the annual budget planning process and is typically planned for a July 1 or a January 1 effective date.
- Similar to new hire salaries, pay increases tied to a promotion should typically fall in the lower half of the new compensation grade.
- If a position is vacated during the year, staff employees continue to have the ability to apply to open positions and be considered for a promotion at that point in time.