

**EASTERN WEST VIRGINIA COMMUNITY AND TECHNICAL COLLEGE
REGULATION NO. AR-5.21**

TITLE: COMPENSATION STANDARDS AND PRACTICES

General Summary Statement of Administrative Regulation purpose. This regulation applies to the implementation of consistent and appropriate practices that are instrumental to Eastern’s ability to attract, motivate, and retain qualified employees, and to ensure compliance with appropriate rules, regulations, and laws set forth by the West Virginia Higher Education Policy Commission (Commission) and West Virginia Council for Community and Technical College Education Council (Council). The success of this compensation program hinges on the College’s ability to appropriately compete with external labor markets, to recognize and reward exceptional performance, and to maintain a shared sense of internal equity and fairness. At Eastern, compensation decisions are a collaborative effort between the supervisor, responsible higher-level administrators, and the Human Resources Office.

The College’s Human Resources Office is responsible for managing the campus-wide processes for Eastern’s hiring and compensation practices, performance management, review of promotional opportunities, and for providing assistance to non-faculty staff. The Dean of Teaching and Learning is responsible for all faculty hiring, performance assessment, and compensation decisions. The principles described herein apply explicitly to all non-faculty staff, but, in some cases, apply implicitly to faculty, as well. For additional information or assistance with hiring and compensation matters, please contact the Human Resources Office.

In accordance with federal guidelines, enforced by the Equal Employment Opportunity Commission (EEOC), it is unlawful to knowingly or unknowingly discriminate in pay or application of employment practices, and therefore all salary decisions must be made without regard to race, color, religion, sex, national origin, age or disability. In addition, Eastern policy prohibits discrimination based on gender expression or gender identity.

AUTHORITY: West Virginia Higher Education Policy Commission Salary
Administration Guidelines

EFFECTIVE DATE: 07/21/21

SECTION I. OVERVIEW AND MANAGEMENT OF COMPENSATION PROGRAM

- 1.1 The Commission and the Council established salary administration and compensation guidelines to assist each of its affiliated colleges and universities with adopting a process of compensation planning which incorporates accurate and up-to-date information on performance, equity and impact where appropriate. The Commission and Council’s Division of Human Resources collects and analyzes market data from sources such as: Workforce West Virginia, Bureau of Labor Statistics, other public higher education institutions, not-for-profit organizations and other local employers. The Commission and Council Division of Human Resources uses carefully selected credible salary surveys

conducted by reputable survey organizations to ensure the compensation system is built on current, relevant and reliable data.

The purpose of these guidelines is to ensure consistency in salary administration and alignment with the design of the program. While the Commission and Council intend to maintain these guidelines to ensure stability in their policies and practices, they reserve the right to modify them at any time. Institutions/colleges and employee representative councils will be notified when guidelines are modified.

1.2 Updating the Salary Schedule - The Division of Human Resources' Classification and Compensation department is responsible for maintaining a current and competitive salary structure consistent with the overarching compensation philosophy of the Commission and Council.

The Compensation Planning and Review Committee and the Division of Human Resources are responsible for conducting biannual reviews of labor markets for benchmark jobs and recommending necessary changes in the salary schedule.

Proposed changes to the salary schedule will be presented for comment to Presidents, Chief Human Resource Officers, and the Advisory Council of Classified Employees (ACCE).

The Commission and Council or designees, must approve final modifications of the Classified Employee Salary Schedule.

SECTION II: PROCEDURE FOR ESTABLISHING A POSITION

2.1 Development of a Job Description and Assignment of a Title - The master classification specification is the starting point for the development of a job description and assignment of a title to a position. Job titles are assigned to new positions by comparing the position /job description to the master classification specifications provided by the Commission and Council Division of Human Resources. The established framework has three components:

- **Job Family or Job Function:** Based upon common roles, responsibilities, skills, and career progression.
- **Job Level:** Reflects the organizational responsibility, accountability, and competency requirements of the position.
- **Job Description:** The College's Human Resources Office, with guidance from the departmental head, will compare position specific job descriptions to the master class specifications and determine which specification is the "best fit" for the duties, level of responsibility, and minimum requirements described in the position/job description. The title of the specification that best matches the

duties, level of responsibility and minimum qualifications of the position will become the official title of the job.

If an appropriate master classification specification is not found in the system, the Human Resources Office should request assistance from the Commission and Council's Division of Human Resources to assist with assigning an existing master classification specification or make a recommendation to create a new master classification specification and assignment to an appropriate pay grade.

2.2 Working Titles - The use of functional working titles, beyond adding clarity or identifying the department served, should be avoided. However, if the College chooses to allow the assignment of a functional working title that is different from the official classification title, the title should reasonably reflect the nature of the work performed, be distinct enough to differentiate the job and be consistent with other working titles where similar work is done in the job family or across the unit.

- A working title cannot be the same as an official job title for another position in the classification system.
- A working title cannot depict responsibility or authority not assigned to the position.
- A working title may reflect a specific work function and/or location. (Example: Trades Specialist: Carpenter, Lewisburg Campus.)
- Only the official title of the position will be used to determine compensation. Assignment or change in the informal working title will not affect placement of the position in the classification and compensation structure and will not affect compensation.

SECTION III. PROCEDURE FOR DETERMINING STARTING SALARIES:

3.1 Determining Starting Salaries - The College has the flexibility to set the starting salaries for all newly hired employees within parameters of the pay range assigned to the position. The position title and grade should be available on the publicized position/job announcement. The pay grade for the position will provide the salary range available for the starting salary. Using the salary range associated with the position's job grade, all new starting salaries will be evaluated based on their relevant knowledge, skills and experience as it relates to the minimally required knowledge, skills and experience of the position to which they are applying. In general, the starting salary for a new hire should not exceed the midpoint of their salary range. This allows the new employee an opportunity for future growth within the salary range. Other things to consider:

- **Job value:** Each job is assigned a pay grade, based on the job description and the analysis of industry pay rates for similar jobs. Additional consideration may be given for jobs with hard to find skills and/or the job's overall value to achieving the goals of the department.

- **Individual value:** The value that the individual applicant brings to the job based on their relevant skills and experience. Less skilled and experienced applicants should be paid lower in the range, while more skilled and experienced applicants would be paid higher in the range, though not always above the mid-point or at the max.
- **Internal equity:** A review of salaries of current employees in similar positions will be completed to ensure internal equity.

3.2 Using Salary Quartiles: The candidate's placement in the range will be determined by the College's Human Resources Office in consultation with the departmental head, after consideration of the available budget for the position, internal equity with similar positions throughout the College, and the incumbent's qualifications, skills, knowledge and relative experience. *Note:* Years of experience not related to the position are not considered. Only substantial and relevant years of experience in a previous position that is directly related to the position at Eastern will be considered. The guidelines below assists the College's Human Resources Office with establishing an equitable competitive starting salary for new hires.

- ***Hiring at Minimum in the Grade:*** The College has the option to hire all new employees at minimum in the pay grade. However, hiring new employees above the minimum is appropriate in certain situations.
- ***Starting Salaries in the First Quartile of Salary Range:*** The first quartile of the pay range starts at minimum in the grade and extends one fourth of the way to the maximum in the pay grade. Starting salaries in the first quartile are appropriate when a job finalist meets minimum qualifications; has little or no direct related or prior experience beyond position minimums, or may be new to the field of the job. Candidate will require additional training and time in job to build knowledge and skills. Internal equity should be considered to ensure institutional departments are establishing new hire salaries consistently and equitably within the classification.
- ***Starting Salaries in the Second Quartile:*** Before a starting salary is finalized, best practices indicate that the College's Human Resources Office should conduct an internal equity analysis. An internal equity analysis includes consideration of current salaries of other similarly situated employees in the same classification who have comparable responsibilities, skills, knowledge, and experience. The final determination of a starting salary will also take into consideration other factors such as budget for the position, difficulty in filling the position as evidenced by the number of qualified applicants and job offers

rejected, as well a specific needs for the position including but not limited to technical expertise.

- ***Starting Salaries in the Third Quartile of a Salary Range:*** Unless the College's overall average compensation position relative to the salary structure is well above the 25th percentile, starting salary offers for new employees within the third quartile should be a rare occurrence. However, the College has the discretion to hire new professional employees through the third quartile of a salary range.
- ***Starting Salaries in the Fourth Quartile of the Salary Range:*** Compensation offers in the fourth quartile of the salary range for new employees should be a very rare occurrence. The fourth quartile of the salary range represents compensation rates for new hires or existing employees with expert levels of knowledge, skill and performance.

3.3 Required Documentation for Starting Salaries in the Third and Fourth Quartile of a Salary Range - Starting salaries in the third and fourth quartiles of a salary range require a Letter of Justification. Best practices indicate that the departmental head and/or the College's Human Resources Office should compose a letter of justification addressing the following:

- Identify the vacant position, the finalist for the position and the requested starting salary
- How the finalist has been determined to meet advanced/expert level skills and experience, either by demonstrated capability at the College or in previously held positions
- How the finalist demonstrates broad and deep knowledge of the position, as well as related areas, and would serve as an expert resource and/or mentor to others
- Discuss the depth and breadth of experience, specialized skills, or perspectives that would add significant value to the institution

Assistance to review the request to ensure compliance with the compensation philosophy and guidelines will be obtained through the Commission and Council's Division of Human Resources, Director of Classification and Compensations Office. The following information will be reviewed prior to final approval:

- The Letter of Justification from the hiring manager
- The Job Posting and Minimum Qualifications for the position
- The finalist's application materials
- Internal and external salary comparators based on identified benchmarks of the College

Final approval of salaries in the third and fourth quartile should be made by the College's president or designee. Documentation for approved starting salaries in the third and fourth quartile should be maintained in the College's Human Resources Office and retained for audits or reviews of HR operations.

SECTION IV. Managing Pay Within a Grade

- 4.1** The grades of the salary structure are sufficiently wide to provide appropriate pay for employees with varying skills, knowledge, experience, and performance levels. (See Section 4.2 for Diagram). Factors for progression in the salary range may include external market, institutional compensation goals, assignment of additional duties, recognition for meeting certain goals, and individual skill and/or performance ratings. Salary increase determinations such as annual budgeted increases, equity pay increases, market based increases, and/or performance related salary increases can be accomplished by managing pay within the pay grade. *Note:* It is important to understand that the classification of a job does not have to change in order to provide a salary increase.

Pay grades are not designed for an employee to start at the minimum and receive salary increases until base pay reaches the top of the range, simply because they hold a position. Employees progress through a pay range by learning their job, increasing their skill, accepting additional responsibility and performing very well.

- 4.1.1 Changes to Job Content** - When job content changes enough to suspect the job is no longer appropriately positioned in the job hierarchy or the master classification specification alignment is no longer appropriate, a position review may be requested by the supervisor, manager or the incumbent of the position. Alternately, the College's Human Resources Office, responsible for classification of jobs, may review the position without receiving a request as described. Changing how the work is done or the tools used to complete the job (e.g., automating manual processes, switching to a different software package) does not typically warrant a salary adjustment. However, if the introduction of new tools and/or software significantly changes the jobs responsibilities or requirements, a review of the classification of the position should be initiated. While such a change may require training to learn new software programs or new methods or work rules, it does not usually change the purpose or overall accountabilities of the job. The Position/Job Description is a tool used to collect job information for an in-depth analysis of a position. Information contained in the Position/Job Description will be used to select the appropriate classification for the position. See Section V on reviewing the classification of a position.

- 4.1.2 Additional Duties and Responsibilities Permanently Added to Current Job** - Additional duties and responsibilities added to a job may or may not change the position classification. Additional duties of a similar nature added to a position

do not typically result in a position reclassification. However, the College has the option to compensate employees for taking on and successfully performing additional duties. To warrant a salary increase for additional duties that do not modify the classification of a position, the additional duties must:

- Be a permanent addition to the position
- Be similar in complexity and nature of work
- Be a formal specific, substantially noticeable addition to current work performed.

A review of the position classification must take place when additional duties and responsibilities significantly affect the complexity, decision-making, or authority of a position. See Section V on reviewing the classification of a position.

4.1.3 Additional Duties Due to Reorganization or Department Wide Requests for Salary Increases - When salary increases are due to a reorganization of a department or are requested for an entire department of the College, the department head must include individual requests for salary increases for all affected employees. The request must be submitted as a package so the College's Human Resources Office has a full understanding of the extent of the changes made to affected positions and the impact to the organization. The College's Human Resources Office shall conduct an internal equity review of salaries of similar positions across the College, assigned to the same classification, with similar duties and responsibilities to advise department heads regarding internal equity.

Increases above 10 percent for permanent additional duties and responsibilities added to current positions should be extremely rare and must be approved by the President, or designee. Additionally, any salary increase resulting in a compensation level in or above the 4th quartile of the pay range must be approved by the President, or designee.

4.1.3.1 Salary Increase Approval Process for Additional Duties - The department head will compose a request for salary increase addressing the following:

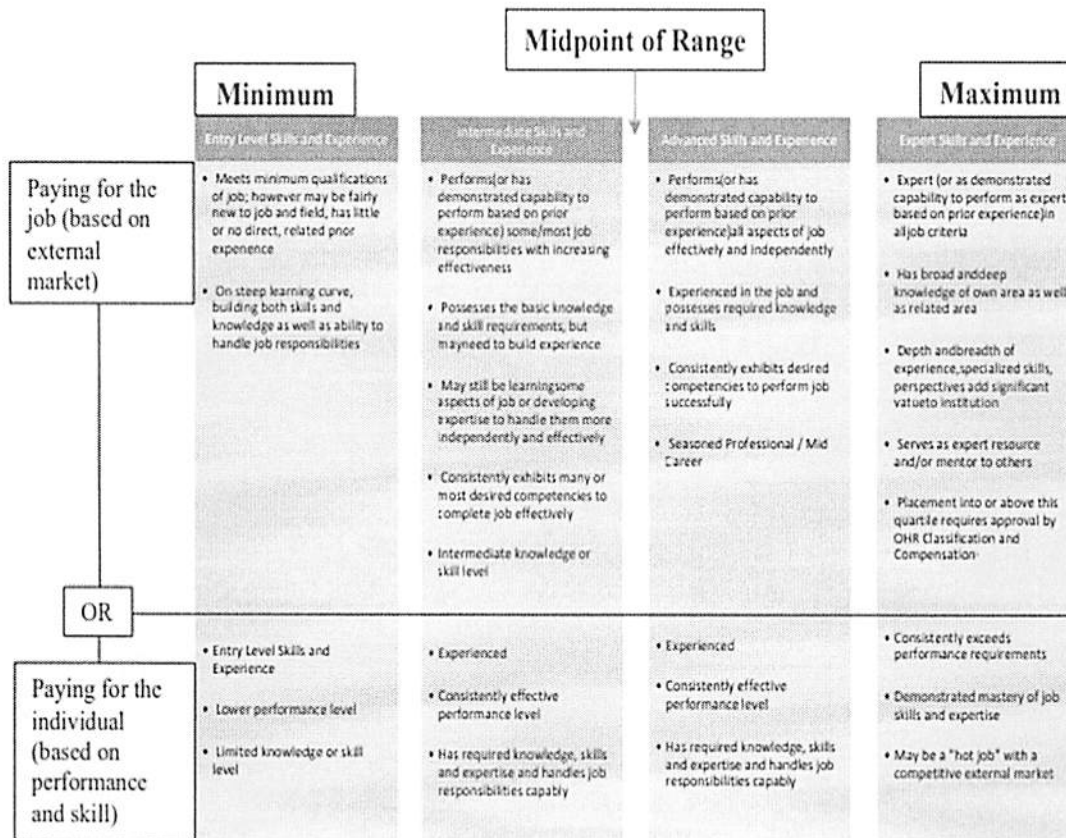
- Identify the position title, department and the incumbent
- Describe the change in duties and responsibilities
- Describe the incumbent's skills, experience and performance that justify the request for salary increase.
- Submit the Letter of Justification to the College's Human Resource Office.

4.1.3.2 Temporary Assignments - When an employee is assigned additional or different responsibilities on a temporary basis, temporary compensation may be warranted and provided. The temporary assignment must be a significant, clearly defined addition of responsibilities to the normal workload. Temporary assignments can vary greatly and should be considered on a case by case basis; length of time in a temporary assignment should be at least 30 days and typically should not last more than 6 months.

The department head will submit the following information to the College's Human Resources Office for justification:

- Identify the employee taking on the temporary assignment
- Reason for assignment
- Expected duration
- Resources required
- Criteria for selecting the chosen employee
- Proposed compensation for the employee taking on the Temporary Assignment/ Interim Appointment
- For temporary assignments with the intent to recruit, provide the search timeline

4.2 Managing Pay within a Grade Tool



SECTION V. PROCEDURES FOR JOB CHANGES

5.1 Position Reclassification - Position reclassification may be warranted when a position evolves to a level that the work performed is no longer represented by the initial job classification and title assignment or a position experiences significant changes in assigned duties, nature, scope, complexity or impact of decision-making. Situations such as these warrant a review that may result in reclassification of the position. Reclassification results in reassignment of the position to a different classification that more closely matches the duties, responsibilities, knowledge and scope associated with the new duties of the position. Performance of the employee or minor changes in the job do not warrant reclassification. A position reclassification is appropriate when the change to assigned duties:

- Does not result in a vacancy and the body of work of the current position will not be backfilled; and
- The primary purpose of the position has changed significantly, and
- The department reporting structure remains substantially the same

Position reclassification determinations are reviewed and approved on a case by case basis by the College’s Human Resources Office with final approval from the President or designee. The College’s Human Resources Office will contact the responsible supervisor to discuss the outcome of the review and communicate the next steps.

If the changes to a position reflects an upgrade, potential pay adjustments will be determined by the guidelines for promotion. If the changes result in a downgrade, pay actions will be determined by the guidelines for demotion.

Updates to vacant positions may also result in the College’s Human Resources Office reassigning the position to a different classification in the structure.

5.1.1 Position Reclassification Process - The employee or supervisor completes a request for classification review and attaches an updated Job/Position Description, a current organizational chart showing the position’s department and all reporting relationships therein, and a justification letter explaining any additional information helpful for the review.

Additional information should include:

- Reason/circumstances for the change in position
- Why the current incumbent is the best choice for the position.
- Are there any other employees in the unit/division with similar skills and abilities?

All documents should be routed for approval and submitted to the College’s Human Resources Office. The College’s Human Resource Office will review the reclassification documents to determine if the job requires reclassification. If the job is to be reclassified, the College’s Human Resources Office will conduct a job audit that will include a review of the duties, pay grade and FLSA status. This review can take up to 30 business days to complete depending on the complexity of the reclassification.

5.2 Promotion - When an employee moves from their current position to a different position that is assigned to a higher salary grade, this is considered a promotion. An employee may apply for any advertised position for which he/she qualifies. A promotion generally

warrants a pay increase; the amount of the increase should be determined by reviewing a number of important factors such as:

- The pay range associated with the new position
- The employee's current pay in relation to the new pay range
- The employee's qualifications for the new position
- Pay of other similarly situated employees

To be eligible for a promotion, an employee must:

- Be a regular full-time employee
- In current position for at least 12 (twelve) consecutive months
- Have earned a performance rating of Outstanding or Very Good
- Meets or exceeds competencies and requirements of new position

Upon full implementation of the salary schedule, promoted employees are to be paid at least the minimum in the pay grade of the newly acquired position. Since circumstances that determine an employee's pay are varied, it is important to be as consistent as possible when making pay decisions relating to promotions.

5.3 Demotion - A demotion is movement to a job in a lower pay grade and can be both involuntary and voluntary. Demotions generally warrant a pay decrease, with the amount to be determined by the individual circumstances, taking into account the employee's current pay, the pay range associated with the new position in the lower grade, the knowledge, skills and performance of the employee, and pay of other similarly situated employees. The College's Human Resources Office should be consulted when making the pay determination for a demotion.

5.4 Lateral Transfers - A lateral transfer is the movement from one job to another job that is in the same pay grade. The movement may be voluntary or involuntary. Generally, these types of transfers do not warrant a pay increase. However, if an employee possesses specific knowledge, skills, and abilities or any other attributes that will enable them to be an immediate asset in the new position, a salary increase within the range may be provided. The College's Human Resources Office should be consulted when a lateral transfer including a pay increase is being considered.

Best practices indicate that the College's Human Resources Office should review internal equity as described earlier and recommend an appropriate salary increase for Lateral Transfers. The flexibility to compensate/reward employees for taking a lateral transfer may also prove useful when cross training staff to increase efficiency and productivity at the College.

SECTION VI. SALARY INCREASES AND ADJUSTMENTS

6.1 College-wide Pay Increases – Depending on available funding, the State of West Virginia may allocate percentage-based raises to state agencies. The State Budget Office calculates the allocation based on Eastern’s Full Time Equivalent (FTE) employees.

College guidelines should be communicated appropriately to administrators, supervisors and managers, and affected employees.

6.2 Other Salary Increases - At times, it may be necessary to adjust pay outside of the annual increase process. Off-cycle salary increases are discretionary increases that can occur any time during the year outside the normal increase cycle. A supervisor who wishes to give an employee an off-cycle increase must obtain approval from the President. The College’s Human Resources Office must be consulted in order to determine if the increase is justified, internally equitable, compatible with the market, and consistent with the salary administration guidelines set forth by the Commission. Any increases resulting in a 4th quartile salary level must be approved by the President or designee.

Examples of other types of salary increases outside of the annual increase process may include:

- **Market Adjustments** - A pay adjustment made to recognize compensation changes in the labor market for a specific job or jobs. Market adjustments are unlikely to occur often because the pay structure is based on market analysis and is updated regularly to ensure competitiveness. Occasionally, unusual market forces may warrant a market adjustment.
- **Critical Retention Adjustments** – A salary adjustment intended to retain an employee that occupies an essential or critical position within the College. Critical retention adjustments may be made to retain employees in jobs for which the College is experiencing high turnover rates. Critical retention adjustments are typically for one-of-a-kind jobs and/or jobs that have known difficulty with recruitment for vacancies. However, employees who work on projects deemed critical to the success of the College, or who have specific knowledge and abilities in jobs or disciplines deemed critical to the College may also qualify for critical retention adjustments.
- **Internal Equity Adjustments** - A compensation adjustment made to make an employee’s pay equitable when compared with that of other employees who have comparable education and comparable work experience, and who hold similar positions in the same classification. The purpose of internal equity adjustments is

to facilitate equitable pay among similarly situated employees. Internal equity adjustments may be made to correct salary compression in the pay range.

Internal equity adjustments are not intended to ensure employees in the same job classification receive exactly the same salary. Rates of compensation may differ between employees in the same job classification or grade, although both have comparable duties and responsibilities. Once the market based pay program is fully implemented, individual base salaries should appropriately reflect an employee's skills, competency, job knowledge, educational attainment and sustained contribution to the College.

- **Recognition Pay** - Recognition pay may be provided when the wishes to reward an employee for enhancing job-related skills and competencies, after demonstrating those enhanced skills through accomplishments and performance in their job. The employee nominated for a recognition pay increase must have demonstrated that the acquisition of competencies, formal training, education, certification or licensure is related to the essential function of the position, serves to meet a recognized critical need of the department, is beyond the minimum requirements for the job classification held and is critical to the ongoing operations of the institution.

The employee's skills and competencies gained should be compared to the guidelines (Section IV) to determine the appropriate placement of his/her pay in the grade, with consideration for internal equity relative to the skills and competencies for others in similar positions. Earning a degree typically does not warrant a pay increase unless the employee has developed skills and competencies that enable him/her to perform the responsibilities of their job in a noticeably more effective manner, and the degree earned is directly related to the position currently held by the employee, or serves to further the goals of the department.

- **Counter Offer** - A counter offer is typically made to retain essential employees who receive offers for employment from another employer. A counter offer may be made to an employee with a regular appointment when the employee can produce evidence of a genuine offer of employment to obtain a position with another employer. When a counter offer has been accepted, the College should not consider future counter offers in the same capacity in which the employee currently serves.
- **Performance Adjustments or Merit Pay** - Before implementing a pay for performance or merit pay program, the College must ensure the program

aligns with the organization or department's goals and objectives. Departmental goals and objectives should be in alignment with the College's mission and vision.

The College has flexibility when designing a pay for performance system. A pay for performance system is most effective when employees value the pay or recognition offered by the College in return for high performance; understand what is required of them; believe that they can achieve the desired level of performance; and believe that the College will actually recognize and reward that performance. These conditions can only be achieved if the College meets certain requirements. These requirements are:

- A culture that supports pay for performance
- Effective and fair supervisors
- A rigorous performance evaluation system
- Adequate funding
- A system of checks and balances to ensure fairness
- Appropriate training for supervisors and employees; and
- Ongoing system evaluation


The Commission and Council Division of Human Resources assist with development and implementation of a performance management program. The Division of Human Resources supports a collaborative approach to ensure best practices in performance management are in place for affiliated institutions.

6.3 Zero Percent Increases - Zero percent increases are appropriate in the following instances:

- When an individual's performance is inadequate. (In such instances the performance deficiencies should be documented and communicated to the employee throughout the performance cycle.)
- If individuals fail to provide required documentation related to their own performance during the annual review process.
- Situations in which current salary substantially exceeds market, or exceeds salaries of other individuals within the employing institution with similar duties, levels of performance, and experience/qualifications



Dr. Thomas Striplin, President



Date