Compensation and Classification Procedure

I. Philosophy Statement

The College of Lake County is committed to delivering high quality, accessible learning opportunities to advance student success and strengthen the diverse communities served. To support the College’s commitment to learning, integrity, quality, service, accountability, and diversity, the College shall maintain a compensation program directed toward attracting, retaining and rewarding a qualified and diverse workforce.

II. Classification Procedures

A. Position Design and Title

The College will establish classifications for staff positions for consistency and as a means to determine equitable pay. The position families/classifications will be applied uniformly to ensure internal equity and valid comparability with the appropriate labor markets. The classification will also provide clear distinctions between positions and allow for flexibility within the organization based on responsibility, experience, educational qualifications, longevity with the College, and career mobility.

Positions will be organized by the level of decision-making capability/responsibility and within an occupational group. The jobs within each occupational group will be broadly defined to include the roles and responsibilities required to fulfill the mission/vision of the College regardless of department or function. Position titles will be created to reflect the duties of the position. Position titles should be easily recognizable in relation to the established duties. The college should avoid highly specialized titles that are not easily compared to external entities.

B. Reclassifications

Reclassification is warranted when a position’s duties, responsibilities, and level of authority change by 30% or more or when Fair Labor Standards Act exemptions require review. A change of 30% or more is an objective determination by Human Resources based on documentation provided by the employee, an updated Position Description Questionnaire completed by the employee and approved by the supervisor or other factors deemed mutually acceptable by the employee and Human Resources. Human Resources will evaluate the new responsibilities or exempt status and make recommendations for new title and placement within the appropriate band, if warranted. A reclassification may
or may not result in a new title, salary or eligibility for overtime. Changes to title and salary will be recommended using the guidelines as follows:

1. **Movement to a Higher Band**

   An employee, who is placed in a higher band through a reclassification or classification review, shall have his/her salary set within the range of the new salary band through a standard calculation that ensures consistency and fairness. In no case shall the salary exceed the maximum of the new salary range. An employee who is reclassified into a higher band will receive no less than a 6 percent pay increase.

2. **Lateral Transfer**

   If an employee is transferred or placed in a job within the same salary range (lateral transfer) as his/her current job, the employee will be paid at his/her current pay rate, regardless of the salary placement within the new range.

3. **Movement to a Lower Band**

   An employee who voluntarily moves to a position with a lower salary range will have their salary reevaluated for placement in the new lower salary range. An employee that is involuntarily demoted due to discipline or reorganization or placed in a job with a lower salary range will have his/her pay range re-evaluated within the pay structure for his/her new band. In extenuating circumstances, the Executive Staff may permit an employee to retain his/her pay effective at the time of the change. Additionally, the current pay may be frozen until annual salary increases allow the employee to fall within the new salary range.

4. **Reassignments**

   An employee who voluntarily accepts a reassignment to a position in a classification which has a lower assigned salary range shall have his/her salary set at a rate of pay within the new salary range providing it does not result in an increase in pay or does not exceed the maximum of the new assigned band. Employees who are subsequently reclassified or promoted back to the original classification from which they took a voluntarily reassignment may not have his/her rate of pay adjusted to a level above that prescribed for reclassification or promotions.

5. **Fair Labor Standards Act Exemption**
Occasionally positions may warrant review for determination of exemption from certain parts of the Fair Labor Standards Act. Exempt positions are not eligible for overtime. With few exceptions, to be exempt an employee must (a) be paid at least $23,600 per year ($455 per week), and (b) be paid on a salary basis, and also (c) perform exempt job duties. These requirements are outlined in the FLSA Regulations (promulgated by the U.S. Department of Labor). Non-exempt positions are eligible for overtime after working 40 hours within one work week including paid holidays. When appropriate, college legal counsel will be consulted to determine FLSA eligibility.

III. Compensation Procedures

A. Internal Equity

The College will strive to pay staff positions similarly with comparable levels of responsibility, supervisory, and decision-making authority, and any other requirements. Specifically, internal equity will be determined by Human Resources whether an employee is paid an appropriate amount relative to other employees in his or hers particular job family based on experience, education, responsibilities or a combination of all three items. Higher pay will be associated with greater responsibility and decision-making authority. The formal job evaluation used by the College, the Decision Band Method, is consistent with the College's organizational needs as a tool to determine which positions are comparable and to establish an internal hierarchy of positions. The decision band methodology appears as appendix A to this document.

B. External Market Competitiveness

The goal of the College of Lake County is to achieve at least the median of the competitive market, when financially and administratively feasible and to be internally consistent with equitable pay practices. The competitive market is defined as the salary paid by peer community colleges located in the Chicago metropolitan area. The College has defined their peer institutions as College of DuPage, Elgin Community College, William Rainey Harper College, Joliet Junior College, Moraine Valley Community College, Oakton Community College, Triton College, and Waubonsee Community College. In evaluating external competitiveness for staff positions, the College will rely primarily on data from the peer community colleges. When comparable positions are not available at the peer colleges, data from the CUPA-HR administrative professional surveys for applicable positions, existing surveys published by reputable survey companies, and other available salary surveys that meet professional standards will also be used.
C. Salary Ranges

Staff positions will be placed into a system of bands that are consistent with external market competitiveness (cited under B above) and adjusted annually for inflation subject to Board approval. Human Resources will annually issue or confirm the salary bands for the college. The salary bands reflect increasing responsibility and are attached as appendix B to this document.

1. Progression within salary ranges

An employee’s salary movement through their respective salary ranges will be based on acceptable performance in their position. Acceptable performance is defined as being in an active pay status with the College, not currently subject to disciplinary action, and/or currently subject to a Performance Improvement Plan. A typical employee with acceptable performance should reach the mid-point of their salary range within fifteen years of their date of hire in the Board-appointed position for which they currently hold.

2. Salary Placement

The College will strive to recognize pay compression concerns for existing employees and maintain internal equity in pay practices and hiring rates. Therefore, qualified new hires will be placed in the salary band structure appropriate to the position according to the approved ranges.

a. Any candidate meeting the published minimum requirement of the position will be placed at the minimum of the applicable salary range by Human Resources.

b. Any candidate may be placed within the 25th percentile with the approval of the Executive Director of Human Resources and the administrative department head.

c. Placement of a candidate above the 50th percentile of the salary range requires the approval of the Executive Director of Human Resources, the area Vice President and the Executive Staff. Any salary placement above the 50th percentile should be reserved for circumstances above and beyond the norm, such as the urgent or unique situation of attracting an extremely qualified candidate, a well-qualified candidate possessing high demand job skills and/or unusual background, experience and/or training. No applicants will be hired above the established maximum of the range of their position.
d. Salary placement will be conducted in conjunction with the hiring manager of the affected employee.

3. Market Contingency

In cases where competitive labor market conditions clearly indicate that a position must be paid higher than the recommended pay range suggests, a market contingency pay rate can be established by Human Resources. It is important to note that the band of the position will not be adjusted. The use of a market contingency pay range is indicated where the competitive labor market data mid-point is at least 25% higher than the mid-point of the recommended pay range.

4. Employees Paid Above the Maximum

As a result of a transfer, demotion or reorganization, it is possible than an employee could be paid above the maximum of their respective pay range. In such situations, their pay will be “topped out” and their pay will not increase above the maximum of the range, with no increase, or additions to their base pay until such time as the salary range is raised where the next maximum of the range exceeds their current rate of pay. Employees who have topped out will still be eligible for annual cost of living adjustments, a stipend or both as recommended by the Human Resources Director and the Executive Staff and approved by the Board of Trustees.

5. Adding New Positions to the Pay Structure

To carry out the goals and objectives of the College, it may be necessary to add new positions or to modify the organizational structure. This often results in responsibilities being redistributed. The evaluation of new jobs for placement in the appropriate pay range will be approved by the Executive Staff and the Board of Trustees. It should be noted, in the case of reorganization or redistribution of duties and responsibilities that duties added to one job may be accompanied by a reduction in responsibilities to another job. Reclassifications and changes in band assignments can be made both upward and downward.

6. Pay Rates for Interim Assignments

In a situation where the assignment or scheduling of work requires an employee to perform in a higher level classification (higher band or pay range), a temporary pay rate may be established for the period of that assignment or work schedule. An
employee must be working in the higher classification at least 50% of the time for a minimum of thirty (30) continuous workdays. The effective date of the higher pay shall be determined by Board action for administrative and professional level positions. The effective date for the higher pay for specialist and classified employees shall be determined by Human Resources and the department administrative supervisor. The effective rate of pay must be within the pay range for the salary band of the temporary assignment and will be set in the lower 25% in the temporary pay range to ensure an increase in pay to the employee who is working in the temporary assignment. The increase in pay will not be less than 5 percent of the employee’s current compensation.

7. Faculty Transferring to an Administrative Position

A faculty member, who applies for and is hired for an administrative level position, will be paid according to the salary placement guidelines described above. Special consideration will be given to the relevant qualifications of the faculty member according to the salary placement procedure. Compensation will not be based on remuneration provided for in existing bargaining unit agreements.

IV. Re-evaluation Process

If an employee is assigned additional responsibilities that change their position responsibilities by at least 30% according to an objective determination by Human Resources based on documentation provided by the employee, an updated Position Description Questionnaire completed by the employee and approved by the supervisor or other factors deemed mutually acceptable by the employee and Human Resources, the employee’s position can be re-evaluated to determine if the employee’s band and/or salary should be adjusted to maintain internal equity and fairness in pay. A job title that is no longer current, nor reflective of the employee’s field, or does not reflect the duties/responsibilities of the position can also be re-evaluated.

An employee can request a position re-evaluation/job title change at any time. A position re-evaluation/job title change can also be initiated by the employee’s immediate supervisor. A justification, as well as a revised job description/position description questionnaire and information clarifying where the new duties were derived or where the removed duties were assigned, must be submitted to Human Resources department with feedback from the immediate supervisor and the division Vice President. Human Resources will confer with the employee regarding
the most appropriate actions necessary to review and fairly determine the employee's request. The actions taken may include an employee conference with Human Resources, a desk audit performed by Human Resources at the employee's worksite or review of written documentation. Additional measures may be taken in consultation with the employee to ensure that the review and determination are thorough and fair. At all points of the process, an employee can request the assistance of an advocate in a manner determined by the employee. This may include but is not exclusive to the advocate attending meetings with the employee, meeting with the advocate or having the advocate represent the employee in a confidential manner.

Human Resources will recommend a new job title/new band recommendation as well as a salary recommendation if applicable. All position re-evaluations/job title changes must receive final approval from the Executive Staff and the Board of Trustees before any revisions to an employee's band or salary may be made. Position duties that change substantially by more than 30 percent and are progressive in nature (more responsibility as determined by Human Resources) shall be eligible for no less than a 6 percent annual increase.

Supervisors will be encouraged to provide professional development opportunities for employees to facilitate movement and progression through the salary ranges.

V. Updates of Classification and Compensation Procedures

The College may reevaluate its overall salary structure at regular intervals to ensure competitive salary levels. This procedure will be reviewed annually in consultation with the affected employees via representative CLC governance entities.

VI. Responsibilities

A. Human Resources

Human Resources is responsible for maintaining the classification and compensation system programs in a fair and non-discriminatory manner. The responsibilities include classifying new positions, reclassifying current positions when job duties and responsibilities change, assigning appropriate job titles based on duties and scope of responsibility, determining the appropriate level of pay for new hires and promotions, maintaining internal equity, monitoring salary ranges for compression, market updates, and related activities designed to keep the system consistent with the College's pay
strategy and facilitating progression through the ranges, as appropriate. Human Resources will collect market data or market trend data for all staff positions on a regular basis and may make recommendations to the Executive Staff regarding adjustments to the plan. Market and trend data will be reviewed with the Executive Staff and the Administrative/Professional, Specialist and Classified Salary and relevant college governance entities. Changes in compensation philosophy and strategy will be made in accordance with the College’s shared governance system.

B. Executive Staff

The Executive Staff is responsible for ensuring the compensation philosophy advances the College’s operational needs and strategic goals. The Executive Staff will play a vital role in maintaining the integrity of the philosophy by adhering to its objectives in their actions. The President and the Board of Trustees have final authority for any decisions related to the College’s compensation philosophy.

C. Transparency

The College’s compensation and classification strategy will be approved by the Executive Staff subject to policy established by the Board of Trustees. Changes to the system will be done in consultation with affected employee groups and the appropriate college governance entities. The system will be made available to all employees annually. A summary of the criteria by which any compensation changes occur should be known to all staff before compensation decisions are made.

Last updated: 03/07/14