

**CAL POLY POMONA FOUNDATION, INC.**

**POLICIES AND PROCEDURES**

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**Subject: Compensation Plan**

**Policy No.: 219**

**Reference: 298-II-D, 343-III-J**

**Old No.: 2000-1**

**Date: 06/13/00**

**Revision: 05/25/10**

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**PURPOSE**

To provide a policy framework for a compensation plan for Foundation employees in compliance with Title 5, California Code of Regulations Section 42405.

**BACKGROUND AND PURPOSE**

This policy establishes the framework for a compensation plan covering all positions.

**OBJECTIVES**

1. To 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, as required by Education Code section 89900.
2. To provide a wage and salary structure that is internally equitable and which ensures that positions with equal skill, effort, responsibility and working conditions receive equal pay.
3. To recruit and retain well-qualified employees for positions within the Foundation.
4. To maintain salary and benefit costs within budgetary limits established by the Board of Directors, consistent with Education Code section 89905.

**EQUITABLE**

1. Externally Equitable: The Foundation Employment Services Director shall conduct salary surveys to assist in establishing and/or adjusting the wage and salary ranges for positions. The survey includes other commercial organizations and non-profit corporations within the California/Los Angeles area 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 Foundation's positions.
2. Internally Equitable: The Foundation will evaluate its internal wage and salary structure to ensure that positions with equal skill, effort, responsibility and working conditions receive equal pay. A position classification plan is used to assist in the job evaluation.

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### **MERIT SALARY ADJUSTMENTS**

1. 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 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 Employment Services Director. An employee is eligible for merit salary adjustment or lump sum merit awards after he/she reaches the maximum rate of the range for his/her job classification in conjunction with the performance evaluation program.

### **SALARY GRADE ADJUSTMENTS**

1. Changes in an employee's level of responsibility can result in his/her position being assigned to 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.

### **IMPLEMENTATION**

1. The Board of Directors must approve any changes to this policy. The Foundation's Executive Director and Employment Services Director shall develop and implement guidelines to facilitate this program. The Executive Director and executive staff are responsible for ensuring that this policy is executed in a fair and equitable manner.