

Policy 602.9

NOTE: For purposes of all Appalachian State University policies, references to SPA (subject to the State Personnel Act [former terminology]) shall be interchangeable with SHRA (subject to the State Human Resources Act [current terminology]); and references to EPA (exempt from the State Personnel Act [former terminology]) shall be interchangeable with EHRA (exempt from the State Human Resources Act [current terminology]).

## **1 Introduction**

## **2 Scope**

## **3 Definitions**

## **4 Policy and Procedure Statements**

### **4.1 In-Range Salary Adjustment**

4.1.1 It is the policy of Appalachian State University to grant fair, equitable, and consistent in-range salary adjustments to SHRA employees in permanent positions in order to recognize job change, establish equitable salary relationships, and/or to respond to labor market conditions. An in-range salary adjustment is a change in an employee's salary within the current salary range.

4.1.2 Each year, a portion of projected salary reserves or other funds which might become available, will be identified for use within the three options for awarding in-range adjustments. To the extent possible, a priority list of potential in-range adjustments will be established, based on organizational priorities, budget considerations, overall priorities considering other salary increase programs, and fairness within the overall employee population. To the extent possible, in-range adjustments will be based on the overall division priority list, recognizing that some exceptional situations might arise which would require in-range adjustments to employees not on the list.

4.1.3 The Chancellor, Vice Chancellors and/or their designee will be responsible for determining overall priorities within their division considering all salary increase programs, and for assuring that the in-range adjustment program is operated in a fair, equitable and consistent manner. Any alleged discrimination resulting from the administration of this policy is grievable external to Appalachian State University.

4.1.4 Managers and supervisors will be responsible for identifying situations which may warrant review, recommending the amount of increase, and initiating a formal request to the division designee through established procedures. Managers and supervisors will also be involved in prioritizing recommendations within their own work unit.

4.1.5 Human Resource Services will be responsible for establishing a plan administrator, Position #6080-0000-0000-041, Personnel Analyst II, for providing consultation on identifying situations and determining

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increase amounts for job change and/or labor market adjustments, assuring that situations and increase amounts are consistent across the organization and that the program does not engage in unlawful discrimination; monitoring the program to assure fairness; educating current and new employees; meeting Office of State Personnel reporting requirements; and revising the in-range adjustment plan annually. Human Resource Services will be responsible for determining the situations and amounts of in-range adjustments based on equity, subject to review and approval by top management.

4.1.6 Covered Employees - An employee with a permanent or time-limited permanent appointment is eligible for in-range adjustments. An employee with a probationary, trainee, temporary or intermittent appointment is not eligible for in-range adjustments.

4.1.7 Salary increases will not be allowed with inter-agency employee transfers.

## 4.2 Circumstances Warranting In-Range Adjustments

4.2.1 Employees may be granted in-range adjustments in the following circumstances:

1. Job Change - To compensate employees for changes in duties and responsibilities as documented by position descriptions and work plans, where significant changes have occurred in duties and responsibilities which:
  1. are at a higher level, but are not substantial enough to justify a higher salary grade through reclassification or a salary range revision.
  2. are at approximately the same level, but the changes increase the variety and scope of duties and/or accountability of the employee.
2. Equity - To establish equitable salary relationships in situations where the salaries of employees in a relative work unit who are in the same class or closely related classes are not appropriately differentiated when the equity factors of education, skill, related work experience, length of service, and performance level are considered. Salary relationships may be studied at individual or classification levels. A relevant work unit is one in which the salaries of employees are closely related to each other. Typically, consideration is given to the salaries in the same class; however, exceptions may be granted when there is a salary relationship among employees at different levels in a class series or employees in an employee/supervisor relationship. Once established, the relevant work unit for a class, class series, or employee/supervisor relationship should remain the same for the Plan cycle. The goal of equity adjustments is to address significant inequities first. Significant inequities include:
  1. Situations where employees are relatively equal when considering the equity factors but whose salaries differ by more than 10%.
  2. Situations where employees have approximately equal salaries but whose salaries should differ by more than 10% when the equity factors are considered.
  3. Situations where employees are more than 10% below their appropriate salary, based on consideration of all the equity factors in relation to other employees.

4.2.2 In establishing equitable salary relationships, priority must be given to inequities with the largest salary differentials. The equity factors should be weighted as follows:

1. Education - weighted at 100% except in those situations where the employee has attained education above the minimum requirements of their current position and that education does not directly relate to the employee's performance of assigned duties and responsibilities.
2. Skills - weighted at 100%

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3. Length of State Service - weighted at 100%
4. Related Work Experience - weighted at 50%. This experience can be broad and due to subjectivity in evaluation of such experience should be rated at 50% or one-half the rate of other factors.
5. Performance - weighted at 100%
6. Labor Market - To increase employees' salaries in order to reduce turnover due to market or other conditions that may affect retention. Conditions to be met are:
  1. The position duties are KEY to the accomplishment of Appalachian State University's MISSION. The knowledges, skills, and abilities required of an incumbent are CLEARLY identified as difficult to recruit, or the occupational group is acknowledged by the Office of State Personnel as having a critical labor market shortage.
  2. The use of established personnel policies/actions are not feasible alternatives to a special salary adjustment (promotion, reallocation, salary range revision, performance increase). Other management alternatives are not feasible.

### **4.3 Limitations on the Amount of In-Range Adjustments**

4.3.1 In compensating employees for changes in duties and responsibilities, the amount of the in-range adjustment should be consistent with the employee's related training and experience and the nature and magnitude of job change. No employee shall be granted an in-range adjustment based on duties and responsibilities which have already been recognized through a previous salary adjustment.

4.3.2 No employee shall be granted more than a 10% salary increase under this policy within a one year period.

4.3.3 No employee shall receive an in-range adjustment which will result in the employee's salary being above the maximum of the current salary grade.

4.3.4 No salary increase shall create significant salary inequities with other employees.

4.3.5 No employee shall receive an in-range adjustment for the addition of duties which are recognized in another position.

### **4.4 Responsibilities**

#### **4.4.1 Chancellor, Vice Chancellors and Their Designees**

4.4.1.1 Establish overall pay increase priorities on a DIVISION basis, considering organizational priorities and funding available for: promotions; new hire salaries, re-allocations, special entry rates, range revisions, and in-range adjustments based on job change, correcting salary inequities, and labor market.

4.4.1.2 Assure that policies and procedures are in place to assure the in-range adjustment program is fair, equitable, consistent, and non-discriminatory.

4.4.1.3 On at least a yearly basis, review reports generated from the in-range adjustment program which includes information on the impact on all demographic groups, exceptions granted, and the fiscal impact of administering the in-range adjustment program within the Appalachian State University budget.

## **4.4.2 Managers and Supervisors**

4.4.2.1 On a continuing basis, identify situations where in-range adjustments might be appropriate, present request(s) to the division designee, including amount of adjustment recommended. Chancellor/Vice Chancellor's designee, in consultation with managers and supervisors, recommends adjustments to Human Resource Services based on the criticality of each individual situation considering the following:

1. magnitude of job change and the criticality of the job to the University's mission
2. the size of the inequity and presence of management obstacles
3. the extent of the labor market problem and criticality of the job to the accomplishment of
4. the University's mission
5. fairness considering the employee population.

4.4.2.2 In-range adjustments will be made in accordance with this list as far as possible, recognizing that not all situations can be identified beforehand.

4.4.2.3 Determine the amount of in-range adjustments for job change and labor market, considering internal equity, salary history, consistency, and fairness within the work unit.

## **4.5 Human Resource Services**

4.5.1 Establish procedures for management to identify and prioritize in-range adjustment situations. Provide guidance and consultation during the process.

4.5.2 Establish an educational program to assure that all current and new employees understand the in-range adjustment policy and its relationship to other salary increase programs.

4.5.3 Designate an in-range adjustment Plan Administrator with responsibility for reviewing and monitoring the administration of the Plan and providing technical assistance in the administration of the Plan to management.

4.5.4 Provide consultation to management on determining the amount of an in-range adjustment. Review all in-range adjustment requests to determine if all criteria have been reasonably considered and that consistency and fairness across the organization have been maintained and that the agency does not engage in unlawful discrimination.

4.5.5 Identify relevant work units and identify situations in which salary inequities exist.

4.5.6 Recommend remedial action to management at the Vice Chancellor level.

4.5.7 Monitor and analyze trends annually, including the impact on demographic groups in granting increases, exceptions granted, and the fiscal impact of administering the Policy on the University budget.

4.5.8 Provide reports to the Office of State Personnel annually, or as required.

4.5.9 Review and revise the In-Range Adjustment Plan annually, considering changing budgetary and organizational policies.

## **4.6 In-Range Salary Adjustment Plan**

### **4.6.1 Mechanism To Make Within-range Salary Adjustments**

4.6.1.1 The in-range adjustment policy provides a mechanism to make within-range salary adjustments of up to ten percent within a twelve-month period to employees to recognize job change, to correct salary inequities, and to increase salaries to match market rates of pay. The policy is intended to supplement existing policies allowing salary increases to employees through promotions, re-allocations, range revisions and special entry rates. The purpose of the in-range adjustment plan is to provide a structure to manage the program both on a day-to-day and long-term basis in order to achieve the following:

4.6.1.2 Wise use of limited funds. It is likely that the need for in-range adjustments will far exceed available funding from salary reserves or other available and approved sources.

4.6.1.3 The program provides for both the identification of individual needs for adjustments, and the establishment of priorities based on the severity of the need, as well as organizational needs. An equity study will be conducted by Human Resource Services prior to awarding any equity increases. It is anticipated this study will be completed during the Fiscal Year 1996-97. However, while this study is in progress, should severe equity problems be identified, this agency retains the option to deal with the issue as needed.

4.6.1.4 Fair, consistent and equitable treatment of all staff employees.

4.6.1.5 The State Personnel Commission-approved In-Range Adjustment Policy establishes agency requirements. The policy is designed to meet those requirements.

4.6.1.6 Appalachian State University's In-Range Salary Adjustment Plan will follow the methodology recommended by the Office of State Personnel for determining in-range adjustments for job change, equity, and labor market.

### **4.6.2 Participants and Roles**

4.6.2.1 Managing limited funds requires that organizational decisions regarding the dispersion of funds among competing salary increase programs be made. Limited funds also require that within the in-range adjustment program, decisions must be made on priorities within the three options (job change, equity, and labor market). Funding decisions must be made based on divisional priorities set by the Chancellor, Vice Chancellor, or his or her designee, considering input from division managers and supervisors. The operation of the in-range adjustment program requires significant involvement and responsibility beyond Human Resource Services. The following are groups involved in the program and their roles:

### **4.6.3 Chancellor/Vice Chancellor**

4.6.3.1 Executive management must provide commitment and support to operate a successful program. This commitment should come in the form of approval of the in-range adjustment program, providing overall guidance on priorities both among the various salary increase programs and within the in-range adjustment program, and program monitoring to assure that organizational needs are met to the extent possible and that the program is being operated efficiently, fairly, and consistently. Division designees appointed by the Chancellor/Vice Chancellor will work through Human Resource Services to identify and prioritize in-range adjustments based on job change, equity, and labor market, and will authorize expenditure of funds for these situations.

#### **4.6.4 Supervisors and Managers**

4.6.4.1 A fundamental need in operating the in-range program is to identify situations where adjustments might be appropriate and to initially determine the amount of each increase (job change, equity, or labor market). Supervisors and managers will be responsible for identifying situations which may warrant review, and initiating a formal request to the division designee. Managers and supervisors will also be involved in prioritizing situations within their own work unit.

#### **4.6.5 Division In-Range Adjustment Committee**

4.6.5.1 The Committee will consist of one designee from each of the five divisions and representative from the Staff Council (Chancellor's Division, Academic Affairs, Business Affairs, University Advancement, Student Affairs, Staff Representative). Each division will be responsible for managing its own salary reserves through a designee appointed by the Chancellor/Vice Chancellor, the Plan Administrator, and the Director of Human Resource Services, will be responsible for the wise expenditure of salary reserves by establishing an overall priority listing of divisional in-range adjustment requests, reviewing budget information, and recommending which increases will be funded, and to what extent. The Division In-Range Adjustment Committee will meet on an as-needed basis as the Plan is implemented, and on at least an annual basis thereafter. The Committee will also be responsible for assisting with the drafting of the In-Range Salary Adjustment Policy and Plan, will continue to evaluate the Policy and Plan on a continuing basis, and will provide recommendations for any future changes to the Policy and Plan.

#### **4.6.6 Human Resource Services**

4.6.6.1 Human Resource Services will be responsible for the overall management of the in-range program through an In-Range Adjustment Plan Administrator. The Administrator will be responsible for assuring that all parties, including employees, are knowledgeable of the program, for the day-to-day administration of the program, providing technical assistance on program operation, for monitoring the program to assure that it is being operated efficiently and fairly and that the agency does not engage in unlawful discrimination, and for complying with Office of State Personnel reporting requirements. Any alleged discrimination resulting from the administration of this plan is grievable external to Appalachian State University.

4.6.6.2 Once the University Policy/Plan has been approved by the Office of State Personnel and the State Personnel Commission, this information will be disseminated in written form to all SHRA staff via the Staff Newsletter, the APPALACHIAN SCENE, official memoranda from Human Resource Services, and new employee orientation programs. Notification to current employees is scheduled to be completed by September, 1996. Additional responsibilities of Human Resource Services include evaluation of in-range proposals from management, assuring accuracy and adherence to program guidelines, and identifying, analyzing and recommending solutions to equity problems.

#### **4.6.7 Director of Human Resource Services**

4.6.7.1 The Director of Human Resource Services will oversee the Program Administrator to assure that the functions of the role are met. In addition, the Director of Human Resource Services will be responsible for assuring the in-range adjustments are made according to criteria established.

## 4.7 In-Range Salary Adjustment Request Procedures

**Managers and/or Supervisors - Please contact your respective division representative or Human Resource Services for an In-Range Salary Adjustment Request Form.**

### 4.7.1 Procedures

4.7.1.1 Managers and/or supervisors should complete the request form for an In-Range Salary Adjustment Increase based on job change, equity, or Labor Market and return it with the following information to their division representative.

4.7.1.2 Indicate Funding Source **Salary Reserves** Departmental Budget

4.7.1.3 Select Basis for Adjustment: Job Change, Equity, or Labor Market

4.7.1.4 Include Current PM-1 Work Plan

4.7.1.5 Employee must be performing new duties and responsibilities and those changes should be documented in the Work Plan.

4.7.1.6 Include Current Organizational Chart

4.7.1.7 Managers and/or supervisors send completed In-Range Salary Adjustment Request Form, the employee's current Work Plan and a current O-Chart to the division representative for review and placement on the respective division priority list as required.

4.7.1.8 Division representative sends request and related information to Human Resource Services.

4.7.1.9 **Please note:** Reclassification requests are to be made to Human Resource Services using established procedures. Should a request not warrant re-classification due to job change, Human Resource Services will review request for an In-Range Salary Adjustment.

### 4.7.2 Job Change - Justification

4.7.2.1 Summary of the changes in duties and responsibilities that would require additional knowledge, skills and abilities due to the following:

1. Addition of higher level duties or
2. Additional duties that would increase the job in variety and scope.

4.7.2.2 Job changes will be determined to be:

1. Moderate - A job change which requires the acquisition of some additional knowledge, skills or abilities generally requiring from six months to one year to attain or a job change which results in some increase in accountability.
2. Significant - A job change which requires the acquisition of knowledge, skills or abilities generally requiring more than one year to attain or a job change which results in a considerable increase in accountability.

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4.7.2.3 Human Resource Services adds the current job description to request, analyzes the job change(s), determines the extent of change(s) with the proper documentation, and makes recommendation. Human Resource Services will notify the division representative and the manager/supervisor of the final recommendation, the amount of funds required, and the effective date of the increase.

### **4.7.3 Equity**

4.7.3.1 In-Range Salary Adjustments based on Equity will be determined by a campus wide review through Human Resource Services. Exceptions for significant inequities may take priority before a total review has been completed.

4.7.3.2 The Equity Review will consist of gathering current information from SHRA employees and subsequently making a determination that employees performing the same type and level of work be paid equitably considering the following factors:

1. Education
2. Skill
3. Related Work Experience
4. Length of Service
5. Performance Level

### **4.7.4 Labor Market**

4.7.4.1 Managers and/or supervisors should contact Human Resource Services to discuss labor market problems as they occur. Follow the established procedures for completing the In-Range Salary Adjustment Request Form and indicate labor market as the basis for the request and include justification information

## **5 Additional References**

## **6 Authority**

## **7 Contact Information**

## **8 Original Effective Date**

## **9 Revision Dates**