Employee Compensation Program

- Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship -

Approved by Compensation Committee

March 31, 2017

- V2 Updated April 24, 2017
- V3 Updated April 9, 2018
- V4 Updated April 28, 2018
- V5 Updated May 24, 2019

Compensation Program

 \sim Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship \sim

Table of Contents

Introduction	3
Compensation Philosophy	4
Compensation Plan	5
Staff Salary Plan	7
Goals	7
Scope	7
Plan Provisions	7
Staff Positions	7
Living Wage	8
Salary Ranges	8
Salary Administration Guidelines	10
Communication of the Staff Compensation Plan	13
Faculty Salary Plan	14
Goals	14
Scope	14
Plan Provisions	15
Faculty Salary Formula	15
Equity Target Salaries	17
Faculty Salary Administration Guidelines	17
Communication of the Faculty Compensation Plan	18
Implementation Steps	20
Peer Institutions	21
Revision History	22

Compensation Program

~ Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship ~

Introduction

The Guilford College Compensation Program is established for the long-term benefit of the College. Taking this long-term view means that full implementation of the Compensation Plan ["The Plan"] will take a number of years from the date the plan is finalized, and will necessarily address some salary issues before others.

All individual salary decisions will be based on the factors identified within the compensation plan. Differences in salary levels will reflect education, responsibilities, skills, experience, market forces, and other factors that are outlined in the compensation plan and known to the campus community.

All individuals responsible for salary decisions will follow The Plan. In the event that a specific tenet of the plan no longer meets the College's needs, we will revise The Plan, rather than disregard it. The Plan outlines when exceptions can be made to the established protocol, by whom, and under what conditions.

Guilford College has a balanced budget as a matter of integrity. We will not spend money we don't have in order to reach our compensation goals. Salary improvements will be a budget priority in the coming years; however, we can only be certain of being able to fund these improvements in years when all revenue goals are met.

Guilford College's Compensation Program will be publically available and transparent to all employees.

The development of Guilford College's Compensation Program has been guided and overseen by the College's Compensation Committee, chaired by President Jane Fernandes, as one of the college's top priorities of 2015-17.

Compensation Program

~ Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship ~

Compensation Philosophy

Guilford College seeks to reflect its core values in all major decisions, including the way we compensate people whose primary role on campus is that of a Guilford employee. This plan is designed to attract, develop, retain and reward employees who are drawn to the Guilford College Core Values, based in the Quaker tradition. The philosophy below outlines how we intend to live out our values through our compensation decisions, and reflects our aspiration for how this compensation program will be implemented ultimately:

- 1. All employees are paid at or above an identified Living Wage for the Greensboro region, regardless of the work they perform.
- 2. Benefits are allocated equitably. Provisions that disadvantage specific groups of employees have been eliminated.
- 3. In order to make employee benefits as affordable as possible for all, when there is a cost to employees for benefits, those cost are proportional to the employee's salary.
- 4. Salaries of positions for which we recruit nationally are indexed to the peer institutions we identify as having demonstrated the excellence to which we aspire; specific salary goals with respect to those peer institutions are established and communicated.
- 5. Salaries of positions for which we recruit locally are indexed to the local market for those positions. Local benchmarks are established and communicated.
- 6. In honoring our values of community and justice, we maintain a reasonable proportion of the lowest to the highest salaries at the College.
- 7. As a demonstration of the College's long-term investment in all employees, our budget strategy will include funding for salary and benefit improvements, as well as professional development opportunities, in any year that all revenue goals are met.

^{*}Compensation is considered to include all salary and benefits offered by the College to those whose primary role at the College is that of an employee

Compensation Program

~ Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship ~

Compensation Plan

Provisions that apply to both faculty and staff salaries:

- Transparency All employees will be informed of the basis for the salary they are paid. For Faculty, this would include the factors that were included in the faculty salary formula, the benchmark used to establish the factors, and how their experience, education and skills were taken into consideration for salary purposes. For Staff, this would include the salary range, the benchmark used to establish the range, and how their experience, education and skills were evaluated for their placement into the salary range. All applicants for positions or promotions at Guilford College will be informed about the hiring range for the position before the interview stage.
- Predictability All employees will have access to the Compensation Program
 provisions so that each person can predict how their salary will be established as
 they progress through their career at Guilford, whether through longevity,
 promotion, transfer, etc.
- Consistency Salary administration guidelines have been established for both faculty and staff so that typical employment situations can be addressed in equitable and consistent ways.
- Equity Though the programs developed for improving staff salaries and faculty salaries are distinctly different, these differences reflect the ways in which their roles at the college differ, and not their status or importance. The College is committed to improving all employee salaries at the same time. Neither group will be privileged over the other, and all information that is made available about one group is available to the other.
- Excellence If we are to continue to provide our students with a stellar experience, we will need to compete for the best possible faculty and staff; one way to do that is to assure that we are paying salaries that are competitive within our market; no one should have to choose between joining the campus community that is right for them and being able to support themselves in the Greensboro area. In order to find that balance, both our faculty and staff compensation plans are indexed to the external market. The market data that is

Compensation Program

- ~ Community Diversity Equality Excellence Integrity Justice Stewardship ~ used to inform our salary administration practices will be made readily available to the campus.
- Accountability In order to hold ourselves to the standards we have set in this
 program, the College will update the campus community, once each year, on
 where our salaries are with respect to the goals we have set for ourselves. In
 addition, We will standardize the timing and content of our communications about
 compensation by following a <u>Timeline of communication</u> to assure that
 consistent information is shared throughout the year.

Compensation Program

~ Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship ~

Staff Salary Plan

Goals

- 1. Align with Guilford Core Values.
- 2. Align with the Guilford College Compensation Philosophy.
- 3. Build trust by infusing the new system with clarity, transparency, predictability and consistency.
- 4. Pay all Guilford College staff members at or above the College's established Living Wage, at a rate that is commensurate with their training and experience, and as close to their market salaries as possible.

Scope

All ongoing Guilford College positions that are not primarily designated as teaching faculty will fall within the Staff Compensation Program. These would include all positions normally referred to as "staff" and "administrators," whose primary roles on campus are that of employees; this program does not apply to temporary employees, contract employees or student workers.

Plan Provisions

1. Staff Positions

- a. Each staff position has a written job description that is updated periodically as the job changes and the needs of the college change.
- Human Resources assigns each staff position to a specific salary range, based on external market data and in alignment with the Compensation Philosophy.
- c. The salary range associated with each staff position will be made available to the campus community, and to those applying for a position at Guilford College.

Compensation Program

~ Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship ~

2. Living Wage

- a. In keeping with the College's values of Community, Justice and Stewardship, the College has made a commitment to pay all regular employees at or above a Living Wage.
- b. The Living Wage has been identified based on the Massachusetts Institute of Technology [MIT]'s Living Wage Calculator for Guilford County http://livingwage.mit.edu/counties/37081. This number will be adjusted annually by the Office of Human Resources in consultation with the Compensation Committee.

3. Salary Ranges

- a. Each Salary Range is defined by a minimum, midpoint and maximum salary. These ranges are described in the <u>Guilford College Staff Salary Range Matrix</u>, which is available to all Guilford employees on the Human Resources intranet site. Non-exempt* [hourly] positions are assigned to salary ranges expressed in hourly rates; Exempt* [salaried] positions are assigned to salary ranges expressed in annual rates.
- b. The spread between the minimum and the maximum of each Salary Range is 60%. This reflects the potential for salary growth for any position within that range.
- c. There are 23 salary ranges in the Staff Compensation Plan [numbered 1 through 23]. There is a 10% difference between each Salary Range, as measured by the minimum salary of one range to the next.
- d. **Minimum:** A person who meets all the stated minimum qualifications of the job can expect to be hired at the minimum of the salary range.

Training Rate: Occasionally, an otherwise optimal candidate for a position may not possess all of the minimum qualifications, or has not yet completed a training or educational program in process. In those cases, an individual may be hired at 10% below the minimum of the range, but no lower than the stated Living Wage. They will be given 6-12 months to attain the minimum qualifications, an arrangement that will be outlined in writing in the offer letter. Should they attain the qualifications [either through external training or on-the-job training], they will be paid at the

Compensation Program

~ Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship ~

minimum of the range by the end of the training period. If they do not attain the minimum qualifications during that time, an alternative arrangement may need to be made, up to and including a transfer to another position or releasing them from employment.

- e. **Midpoint:** The midpoint of a salary range is intended to identify the salary of an incumbent who meets all the qualifications of the job and who demonstrates the level of proficiency and experience that would be accumulated after working successfully for approximately 7-8 years in that position.
- f. **Salary Range "Steps":** It is expected that an employee would progress through the salary range earning approximately 4% more for every year of experience in a specific job, and will reach the Maximum of the range after 15 years experience in that job. Each 4% jump is considered a "step."
- g. **Target Salary:** The Target Salary is the "step" within the salary range that corresponds most closely with the number of years of experience [at Guilford or elsewhere] the incumbent has in the current job [maximum of 15].
- h. **Maximum:** the maximum of a salary range is the maximum that Guilford College will pay for any person working in a position that falls within that range. When a person's salary reaches the maximum of the range, no further increases to the base salary will be allowed. In the way the Guilford College Salary Ranges are constructed, that is generally after having worked successfully for 15 years in the same position. Should the College allocate a salary increase for which an individual currently paid at their maximum salary would otherwise be eligible, that increases will not be allowed until and unless the maximum of the range is raised.
- i. External Benchmarks: Each staff position is assigned to a salary range based on an external data source (such as CUPA-HR and the US Bureau of Labor Statistics for the Greensboro area) that indicates the median salary for that position within the appropriate regional or national market for that position. Human Resources is responsible for determining which benchmarks are appropriate for each position, and which salary grade is appropriate for each staff position.
- j. Market Adjustment to Salary Ranges: Human Resources will validate and periodically update the salary ranges based on market data at least

Compensation Program

~ Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship ~

every three years, and more often as key indicators dictate. Any resulting changes in the salary ranges will be shared with the campus community. The minimum salary in the Staff Salary Grade Matrix will be increased by the average salary increase reported in the most recent CUPA-HR salary survey, which will, in turn, adjust the rest of the salary grades upward. This will assure that we keep pace with the market as a whole.

An increase in the salary range does not automatically generate an increase in individual salaries. Generally, only those currently paid at or very near the minimum of the range, or at a training rate, will be affected by changes in the range.

*As determined by the Fair Labor Standards Act.

Salary Administration Guidelines

Hiring Range: A person who meets all the stated minimum qualifications of the job can expect to be hired at the minimum of the salary range. A person who meets all of the stated minimum qualifications of the job and brings additional experience, education or training may be hired at a salary above the minimum, up to the midpoint. It is very rare for someone to be hired above the midpoint for any staff position; in all instances where individuals are hired above the midpoint of the range, the rationale for this decision, and written approval by the President, will be documented in the personnel file.

Promotions: A staff member who is promoted into a position in a higher salary range than the position s/he currently holds will receive a corresponding increase in salary. The individual's credentials will be assessed for placement into the new salary range in the same way that a new employee would be, taking into consideration relevant education, skills, experience, training, etc. Generally, the salary increase will be no less than 10%.

Demotions: Occasionally, an individual will be demoted into a position with a lower salary range. This could occur due to performance issues or changes in the needs of the college [Example: Someone is being paid as a supervisor in a department that is merged with another department, and two supervisors are no longer needed. One person will no longer be a supervisor, and may therefore be demoted to a lower salary grade]. In these instances, the individual's training, skills and experience will be taken into account when determining where in the new salary range they will be paid. Their salary will not be reduced by more than the difference between the higher salary range

Compensation Program

~ Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship ~

and the lower salary range, unless a greater decrease is needed to place the salary within the new salary range. [Example: When an employee is being demoted from a Salary Range 7 to a Salary Range 5, where there is a 10% difference between ranges, the demoted individual's salary will be reduced no more than 20%, unless a greater decrease is needed to place the salary within the new salary range]. Conversely, It is possible that prior experience in the previous job could be relevant enough to the new job as to result in no salary decrease as a result of demotion. In this instance, the individual would only experience a reduced potential for higher earnings in the long term, due to a lower maximum salary in the new range.

In-Range Adjustments: There are several ways that staff members can progress through the salary range while staying in the same job:

1. Anniversary "step" increases: Once an incumbent has reached his/her Target Salary, that salary will be adjusted to the next "step" in the salary range on the anniversary of the employee's placement into that position [whether through being hired or promoted]. This process will begin in June 2017 and become a regular part of the salary administration process.

Exceptions: Those not eligible for these annual step increases include:

- Employees who are in a temporary and/or time-limited position.
- Employees who have documented performance problems that have not been resolved.
- o Employees who have resigned but have not yet left the College.
- Employees who have been terminated or laid off from employment as of the effective date of the increase.
- Employees who are on any kind of leave of absence [paid or unpaid] will not receive this adjustment until they return to active employment.
- 2. Target salaries are updated each year to account for for the increase in the average CUPA-HR salary increase for our comparison group.
- Salary increases are not guaranteed and will be determined by the College on a year-by-year basis. Even in years when salary increases are not fully allocated, the target salaries will still be increased to reflect changes in the external market.
- 4. Additional duties: Should an individual's job change substantially, with the

Compensation Program

~ Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship ~

addition of ongoing new roles and higher responsibilities, a supervisor may revise the job description and request a salary increase based on the addition of substantially different duties. Such a request would require the approval of the area Vice President before Human Resources will evaluate the request for a salary increase. Such a change may warrant a salary increase for the individual within the current Salary Range, or it may warrant the position's change to a new salary grade, which would also warrant a salary increase [see Promotion]. Temporary changes in duties do not generally warrant additional compensation.

5. Lateral transfer: This occurs when an individual transfers, voluntarily or involuntarily, to another position at the College which is in the same Salary Range as the current job. Normally, a lateral transfer will carry no change in salary. However, if the individual has more experience, skill and training related to the new job than s/he did for the current job, a salary increase could result from being placed higher in the same salary range, as a result of those qualifications and experience. A lateral transfer, whether voluntary or involuntary, will not result in a reduction of salary.

Pay Provisions for Non-Exempt Staff: Below are several pay provisions that pertain only to non-exempt staff, or those subject to the provisions of the Fair Labor Standards Act.

- 1. Pay for On-Call and Call-Back: An employee who is not at work or on-call and is called back for emergency service shall receive compensation at the rate of time-and-one-half of their base hourly rate for hours worked. Guaranteed minimum pay for call back to a work site is three hours at time-and-one-half. An employee who is on-call but not called back for emergency work shall receive three hours pay per week at the regular rate.
- 2. Pay for Overtime Work: In accordance with the Federal Wage and Hour Law, overtime is defined as any hours worked over forty (40) in a given week by non-exempt employees. Although overtime is discouraged, during peak periods it may become necessary to work overtime. Overtime may be required due to either emergency or non-emergency circumstances. When overtime is required, it must be approved in advance by the appropriate manager.

For computing overtime, a work week is defined as a seven-day period beginning on Saturday and ending on Friday.

Non-exempt employees will receive one and one-half times their regular rate of pay for all time worked in excess of 40 hours in a work week. This includes

Compensation Program

~ Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship ~

break time, but excludes time spent "on call" but not worked, meal periods, leave of absence, etc.

During the week in which there is a holiday or vacation day, employees should count the actual hours they would normally have worked on that holiday or vacation day when determining whether or not overtime has been incurred for that week.

Calculating hours worked for overtime purposes, employees who are required to work on an official holiday due to emergency reasons, will receive credit for the normal hours that they would have worked (7.5 or 8) plus the hours actually worked.

For departments that must be operational during College defined official holidays, the department manager can require that the employee(s) take these days at another time during the calendar year.

Communication of the Staff Compensation Plan

- Provisions of the Staff Compensation Plan, including Salary Ranges, will be made readily available to all Guilford College employees on the Human Resources website.
- Applicants for staff positions at Guilford College will be apprised of the salary range, the most likely hiring range for the available position, and other important compensation considerations through the College's job posting/Human Resources website.
- Information will be shared with the campus community at least annually about the status of Guilford College staff salaries as compared to the salary data used to set salary targets. In March 2019, the President accepted the Compensation Committee's recommendation that the following Communications Timeline be implemented to assure that consistent and timely information is shared with individuals and the campus.
- Substantive changes being considered to the Staff Salary Administration
 Guidelines will be shared with the campus community through the work of the
 Compensation Committee, which developed the program and which monitors its progress over time.

Compensation Program

~ Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship ~

Faculty Salary Plan

Goals

- 1. Align with Guilford College Core Values.
- 2. Align with the Guilford College Compensation Philosophy.
- 3. Build in practices of enhanced clarity, transparency, predictability and consistency.
- 4. Utilize a formula for calculating faculty salaries that is based on academic credentials and related experience; intentionally eliminate and correct salary disparities based on factors unrelated to credentials and experience.
- 5. Base the formula for calculating faculty salaries on the median salaries per rank of our Peer Institutions.
- 6. Increase Guilford faculty salaries to the median salaries per rank of our Peer Institutions.
- 7. Phase out the salary differential by academic discipline as all salaries improve.

Scope

All ongoing full-time Guilford College positions that are designated by the College as teaching faculty will fall within this Compensation Plan. These would include all positions normally referred to as "faculty," whose primary roles on campus are that of classroom instructors. All faculty members included in this plan are employed through a written contract for employment with Guilford College.

Salaries of "Visiting Faculty" have been determined by the Academic Dean in consultation with the President. Guilford College recognizes the need for a more systematic approach to compensating and reappointing Visiting Faculty. Toward that end, the Academic Dean will work with Clerk's Committee and other faculty governance groups (including the subcommittee of Compensation Committee that has developed the faculty formula), beginning in 2017, to propose a new approach for compensation, reappointment, and evaluation of visiting faculty. They expect to have new language proposed for the Faculty Handbook by the end of 2017.

This Compensation Program does not apply to adjunct faculty, who are hired on a

Compensation Program

~ Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship ~

per-course basis. In the 2016-17 academic year, the part-time pay rate is \$4,000 per course, plus \$500 for courses with enrollments over 25, and \$500 for courses that end at 10:10 pm or later.

Plan Provisions

Faculty Salary Formula

The College has established a formula to calculate the salary of each full-time faculty member. The formula starts with a base salary for each academic rank. The base salary per rank is indexed to the median salaries per rank of our designated Peer Institutions, and is automatically re-calculated as peer institution data is updated.

There are additional salary increments included for the terminal degree in a related field, for years of teaching and for related professional experience. In 2017, the faculty salary formula included a salary increment that recognizes the differences in salaries that are present in the academic market for different academic disciplines. This increment is expected to be phased out over time, as all salaries get closer to their targets.

See next page for detailed description of the components of the formula:

Compensation Program

~ Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship ~

2019 Faculty Salary Formula:

Status	Academic Rank	2018 base Salary /	+	\$\$ Terminal Degree	+	Market Factor by Discipline	+-	Years of prior Exp.*	•	Years of Guilford Exp.	_	\$\$		Target
									+			per	- =	Target
		Rank										year		
	1	0-month salar	У					_						
Non-						% of		Tallied		Computed				
Tenure track	Instructor	\$48,023		n/a		\$10,000		during		from		\$300		
							_	1					_	
Tenure track	Assistant	\$53,329	+	\$5,000	+	assigned	+	Hiring	+	Date of	X	\$300	=	
Tenure track	Associate	\$56,832		\$5,000		by discipline		process		Hire		\$500		
Tenure track	Professor	\$66,129		\$5,000		[phase out						\$700_	J	
						over time]								

Status: The employment status of a faculty position is identified at the point of advertising, searching, or hiring.

Academic Rank: Academic rank is determined by the Provost/Academic Deans, based on Guilford's established criteria.

Base Salary: Any faculty member who meets the qualifications for a specific rank will be paid no less than the base salary for that rank. Guilford College's base salaries are derived from the average salary per rank among Guilford's identified Peer Institutions. Basel salaries will be adjusted once each year when Peer Institution salaries are published for the prior year.

Terminal Degree: A \$5,000 increment is added to the base salary for any tenure-track faculty member whose terminal degree in the field they are teaching has been verified by the Vice President for Academic Affairs.

Market Factor: An additional salary increment may be added to a faculty member's salary, depending on the academic discipline in which s/he teaches. Differentials between and among disciplines are proportional to the average market salary differentials by discipline reflected in the annual CUPA-HR Faculty Salary Survey data. The maximum discipline differential is \$10,000 in 2017 and will be reduced in future years as Guilford salaries reach parity with peer institution salaries.

Prior Experience: Faculty who come to Guilford with prior teaching or related professional experience may qualify for an additional salary increment, using the following formula: Prior full-time college-level teaching: Credit 100%; Prior non-college teaching and prior professional experience that is directly related to the teaching discipline: Credit 75%, up to a maximum of 10 years.

Guilford Experience: Faculty will be credited for all years of full-time teaching at Guilford; unpaid leaves of absence will be deducted from years of service for the purposes of calculating the target salary.

\$\$ per year: \$300 will be added to the base salary for each year of credited service [a combination of prior experience and Guilford experience] for Assistant Professors; \$500 per year for Associate Professors; \$700 per year for Full Professors.

Target Salary: The Target Salary is the salary that Guilford considers the appropriate salary for a faculty member with those specific credentials. Each faculty member will be notified of their Target Salary and how it was derived. The College has committed to improving salaries over the next several years until all employees are paid at their target salaries. At that point, Guilford Faculty salary averages per rank will match our Peer Institution salary averages per rank. NOTE: Since the base salary is indexed to peer salaries, and since a faculty member will typically add one more year of service each year, targets are expected to increase incrementally over time.

Other Salary Increments: Salary adjustments that are intended to reflect cost of living, merit increases, additional duties, endowed chairs, and/or administrative assignments will be paid to the faculty member in addition to the Target Salary.

Compensation Program

~ Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship ~

Equity Target Salaries

In 2017, and each subsequent year, a "target salary" will be computed for each faculty member who falls under this program at Guilford College. Faculty members will know their target salaries and how they were calculated. The goal is to pay all faculty at their target salaries.

"Target Salaries" will be adjusted every year, as changes occur in the peer institution data, as well as the actual years of experience of each faculty member. In so doing, the Compensation Plan will always be indexed to economic conditions and has a built-in way to respond accordingly. Continuing faculty will receive the annual \$300/\$500/\$700 increment as prescribed by the formula when new appointment letters are issued each August, beginning in 2017. As the formula is adjusted over the years, this annual increment will reflect an amount in the formula that is in effect at the beginning of the fiscal year of the appointment.

Faculty Salary Administration Guidelines

New Hires:

When the College opens a search for a new faculty member, the following information will be shared with all applicants being considered for an on-campus interview before inviting applicants to campus:

- Salary range for that open position, based on the Faculty Formula
- Other important compensation considerations
- Provisions of the compensation program

Promotions:

Once all faculty reach their target salaries,, the salary increase corresponding to a promotion to a higher rank will be determined by the difference between the base salary of the old rank and the base salary of the new rank. The base salary for the new rank, and the dollar amount per credited years of service, will replace the base salary and dollar-amount-per-year for the old rank in the formula that calculates the faculty member's target and salary.

While the College is still working to move all faculty to their target salaries, the following interim method will be used to calculate promotional salaries, in order to place them equitably into the new rank:

• A newly-promoted faculty member's equity target will be re-calculated to reflect

Compensation Program

- \sim Community Diversity Equality Excellence Integrity Justice Stewardship \sim
- their new rank [new base salary, higher credited dollar-amount-per-year].
- After any general increase is allocated in a given year, the furthest distance-to-target in the Associate and Full Professor ranks will be identified.
- The newly-promoted faculty member's salary will be placed equitably within the new rank in the following way: Bring the newly-promoted faculty member's salary to the percent distance-from-target that is equal to the furthest distance-to-target in the new rank.
- Promotional salary increases will take effect in the beginning of the academic year that the promotion takes effect.
- When a promotion is approved, the corresponding promotional salary increase will take place regardless of whether a general salary increase is allocated by the College in that year.

Exceptions:

The Faculty Salary sub-committee originally recommended that a Faculty Personnel Committee of tenured faculty be assigned by Clerk's Committee to advise the Academic Dean on matters related to the administration of the formula and these guidelines. Beginning in 2017-18, Clerk's Committee will serve in this role to determine whether these responsibilities warrant an additional faculty committee. This group will review and recommend the faculty data points that the President shares with the campus each year, and review any exceptions to the faculty guidelines or consideration of changes to the faculty guidelines or the formula.

Communication of the Faculty Compensation Plan

- Provisions of the Faculty Compensation Plan, including the Salary Formula, will be made readily available to all Guilford College faculty, through the communication channel[s] that the Faculty Clerk's Committee deems most appropriate.
- Applicants for faculty positions at Guilford College will be apprised of the most likely hiring range for the available position and other important compensation considerations through the College's normal communication channels for faculty searches. This salary information will be shared with applicants before inviting any applicant to campus for an interview.
- o Information will be shared with the campus community at least annually about the

Compensation Program

- ~ Community Diversity Equality Excellence Integrity Justice Stewardship ~
- status of Guilford College faculty salaries as compared to the salary data used to set salary targets. In March 2019, the President accepted the Compensation Committee's recommendation that the following Communications Timeline be implemented to assure that consistent and timely information is shared with individuals and the campus.
- Any substantive changes being considered to the Faculty Salary Administration Guidelines will be considered by the Faculty Personnel Committee and shared with the campus community through the work of the Compensation Committee, which developed the program and which monitors its progress over time.

Compensation Program

~ Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship ~

Implementation Steps

Guilford College will implement compensation 'repair work' utilizing the following strategies. Note that these strategies are not prioritized.

- a. Build a budget strategy that assures proportional funding for salary and benefit improvements in any year that all revenue goals are met.
- b. Rectify benefit inequities that are or appear to be gender/race/ability/ age-based, or that discriminate in ways that conflict with Guilford's core values.
- c. Research salary inequities that are or appear to be gender/race/ability/ age-based, or that discriminate in ways that conflict with Guilford's core values; Rectify those inequities that are found to be discriminatory.
- d. Research strategies to adjust the employee cost for benefits so that costs are more proportional to base salary, making benefits more uniformly affordable.
- e. Raise all salaries to the established Living Wage, starting with the lowest paid employees first. There is potential for a temporary compression of salaries to result from this step; it could continue until additional funding is available to implement subsequent steps.
- f. Establish and communicate Target Salaries for all positions, based on external benchmarks.
- g. Address those salaries that are furthest away from their target salaries first. The goal is to get all salaries as close to their targets as possible. This may need to be done in several steps over a number of years.
- h. Implement and communicate specific compensation-related practices that pertain to promotions, job changes, temporary additional duties, etc.
- Establish methods for formulating hiring salaries when vacant positions are being filled. Index hiring salaries to agreed-upon benchmarks.

Compensation Program

~ Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship ~

Peer Institutions

Beginning in 2019, Guilford College will benchmark its faculty and staff salaries against the salaries of approximately 356 schools that are classified as Baccalaureate Institutions in NCAA Division III, as reported in the CUPA-HR annual salary surveys. [For those positions for which we recruit locally, market data from the US Bureau of Labor Statistics for the greater Greensboro area will continue to be used to benchmark those salaries.]

Compensation Program

~ Community - Diversity - Equality - Excellence - Integrity - Justice - Stewardship ~

Revision History

- 03-31-2017 V1 Approved by Compensation Committee and President.
- 04-24-2017 V2 Revision to Staff In-Range Adjustments, section 3, to clarify that temporary changes in duties or temporary assignment of additional duties do not normally warrant additional compensation. No change in policy or practice.
- 04-09-2018 V3 Staff Salary Administration Guidelines, page 13, was revised to insert a missing section on overtime pay and on-call/call-back pay calculations for non-exempt employees. No change in policy or practice.
- 04-28-2018 V4 Staff Salary Administration Guidelines, page 11, was revised make the procedure for calculating salary increases for staff promotions less restrictive.
- 05-24-2019 V5 The Compensation Committee recommended, and Jane Fernandes accepted, the following changes to our Plan and practice:
 - The College will continue to use CUPA-HR as the source for market salary data. for both faculty and staff positions. Starting in 2019, we will compare our salaries to the approximately 356 schools who are classified as Baccalaureate Institutions in NCAA Division III, assuring a larger peer group and less fluctuation in market data that we experienced with a smaller peer group.
 - 2. The minimum salary in the Staff Salary Grade Matrix will be increased annually by the average annual salary increase reported in the most recent CUPA-HR salary survey.
 - 3. The College will standardize the timing and content of communications about compensation by following a <u>Timeline of communication</u> to assure that consistent information is shared throughout the year.
 - 4. During the years before all faculty reach their target salaries, an interim process for calculating faculty promotional salaries will be needed. This process is outlined in the <u>Faculty Salary Administration Guidelines</u> above.