

SALARY BUDGET DECENTRALIZATION TRAINING

Toolkit

Table Of Contents

	<i>Page</i>
Glossary of Terms	3
Frequently Asked Questions	6
Classification Guide	10
Compensation Guide	18
Salary Action Process Flowchart.....	24
Staff Annual Plan.....	25
Bargaining Unit Salary Action Chart.....	26

Glossary of Terms

Demotion	The change of an employee from one position to another position that has a lower salary range maximum. A demotion can be a voluntary or disciplinary action.
Downgrade	The change of a position, filled or unfilled, to a title, rank, step or grade below it's current level. The term is usually used when referring to a reduction in the budgeted salary of a position from the employee salary rate to the provision funding level.
Equity Increase	An increase in salary to remedy a salary inequity, without a change in the title/job code.
Filled Position	A permanently budgeted staff position is filled when an employee ID is linked to the budgeted position. OHR definition: a person is in the assigned job.
FTE (and budgeted FTE)	FTE is "full time equivalent". A 1.00 FTE represents full time (40 hours per week) on pay status for the entire fiscal year. Less than a full FTE is expressed as a factor of the above. An employee working 32 hours per week for a full year is expressed as .80 FTE, and an employee working 9 months at 40 hours per week is also expressed as .80 FTE.
OHR	Office of Human Resources
Position	A position is defined as a cluster of job duties that have been assigned a job classification, a title/job code, and a percent of time (FTE). A position may be filled or unfilled.
Promotion	For staff employees, the change of an employee from one position to another position that has a higher salary range maximum. Promotion refers to the movement of an employee to a different position, while reclassification refers to reclassifying the employee's current position.

Glossary of Terms

Provision (or unfilled position) Funding Level	Provision or entry funding level is the budgeted salary dollars associated with an unfilled position. Entry funding level is step one for step-based personnel program, and the top of the first quartile (also called the 25 th percentile) for range-based programs.
Range-Based (Open-Range Positions)	Refers to job titles with salary ranges that are “open”, i.e. do not have steps. Employees’ salaries can be placed anywhere within the range and employees typically move through the range by way of merit increases.
Reclassification (Filled Position)	A change in the classification and title/job code of an employee’s current position that reflects changes in the duties and responsibilities of the position. The reclassification may be upward, lateral or downward, and the change in title/job code may or may not affect the funding level for the position.
Staff	University positions or employees holding appointments in the Senior Management Group (SMG), Managers and Senior Professionals (MSP), Professional and Support Staff (PSS), and/or non-academic labor bargaining units are designated as “staff”.
Step-Based	Refers to job titles in which salaries are comprised of one or more pre-determined pay rates.
Stipend	A non-base building temporary supplement to an employee’s base salary. An administrative stipend may be paid to an employee who is temporarily assigned responsibilities of a higher level position, or other significant duties not part of the employee’s regular position; typically no longer than a year.
Temporary Reclassification	A temporary change in classification and title/job code of an employee’s current position that reflects temporary changes in duties or responsibilities (usually higher level). The employee typically receives a salary increase for this interim period.

Glossary of Terms

Turnover Savings

Funds that are saved when a position is vacated and the funding is downgraded to the provision or entry funding level. These funds are comprised of above entry level salary and /or the merit and range increases that were awarded to the position's previous occupant.

Upgrade

The change of a filled position to a title, rank, step or grade above its current level. The term is usually used when referring to an increase in the budgeted salary of a position from the entry funding level to the employee salary rate.

VC

Vice Chancellor

Frequently Asked Questions

Question	Answer
<ul style="list-style-type: none"> • <i>Who has classification authority after salary decentralization?</i> 	<ul style="list-style-type: none"> • OHR Compensation, with the exception of some DPMs who have delegated authority. For MSP positions, the Vice Chancellors review classification recommendations made by Compensation but they make final decisions. <p>VCs and Deans will review requests from departments, then forward those which are appropriate and have funding identified for any potential salary increase, to OHR Compensation.</p>
<ul style="list-style-type: none"> • <i>Can an employee self-initiate a request for classification review?</i> 	<ul style="list-style-type: none"> • Currently 3 labor contracts (TX, RX, HX) contain language that permits employees covered by these contracts to self-initiate a classification review if the supervisor does not act on the request within 30 calendar days.
<ul style="list-style-type: none"> • <i>Will OHR Compensation approve a reclassification even if the control unit has no funding for it?</i> 	<ul style="list-style-type: none"> • Positions are classified based upon the duties and responsibilities assigned, regardless of fund source; therefore it is important for department managers to consider the classification and budget impact when assigning duties to staff. <p>VCs and Deans also need to review classification requests from departments for appropriateness and to make certain that funding has been identified for potential salary increases before moving them on to OHR Compensation.</p> <p>Departments should consult with OHR before reassigning big chunks of duties so OHR can advise them on the probable impact on classification and salary budgets. OHR can help departments strategize the optimal alignment of the work needing to be performed with the appropriate classification level.</p> <p>There are techniques for managing workforce and salaries that OHR can help departments implement. For example, a staff annual plan can be an extremely effective tool.</p> <p>Plans can be developed without knowing exact budget allocations. OHR can help managers consider the work that needs to be accomplished and how to best align positions to meet desired goals and objectives.</p> <p>See the “<i>Staff Annual Plan</i>” in this toolkit for more information.</p>

Frequently Asked Questions

Question	Answer
<ul style="list-style-type: none"> • <i>How can VCs/Deans ensure the accuracy of job descriptions?</i> 	<ul style="list-style-type: none"> • VCs/Deans need to emphasize to supervisors and managers that their signatures on job descriptions certify the duties and responsibilities are accurate.
<ul style="list-style-type: none"> • <i>Will OHR offer training on writing job descriptions and assigning job duties?</i> 	<ul style="list-style-type: none"> • OHR offers several existing training programs designed to help managers and supervisors with this. These include: <ul style="list-style-type: none"> - Supervisory Development Lab (compensation analysts train new supervisors in how to write accurate job descriptions). - Performance Management Series (includes a specific workshop in how to write job descriptions). <p>New job evaluation and compensation programs are being developed by OHR under the guidance of the Staff Infrastructure Steering Committee (SISC).</p> <p>As these programs are rolled out, campus managers and supervisors will be provided with extensive training in the new methodologies and programs. Classification analysts are available to consult with supervisors and managers on an individual basis as well.</p> <p>Information on scheduled workshops is provided in the new Employee Development Catalog</p>
<ul style="list-style-type: none"> • <i>How can VCs/deans require that departments (including academic departments) comply with timely performance evaluations of their staff?</i> 	<ul style="list-style-type: none"> • VCs/deans can require departments to conduct performance evaluations before they will consider requests for funding for reclassification or other salary actions. <p>University policy requires that performance evaluations be provided to staff on at least an annual basis.</p>
<ul style="list-style-type: none"> • <i>Is performance now a factor in reclassification of a position?</i> 	<ul style="list-style-type: none"> • Performance is not a factor in reclassification, but in many cases, it is a major factor in salary setting.
<ul style="list-style-type: none"> • <i>What type of guidance can OHR provide to VCs/Deans on salary setting?</i> 	<ul style="list-style-type: none"> • OHR has extensive information to assist VCs/Deans with salary setting including: <ul style="list-style-type: none"> - Bargaining Unit provisions and constraints - Internal equity issues - External market salary data

Frequently Asked Questions

Question	Answer
<ul style="list-style-type: none"> • <i>What if a labor contract doesn't stipulate the amount or percent increase required upon reclassification of a covered employee?</i> 	<ul style="list-style-type: none"> • If the contract provides no limits or guidance regarding salary setting, then managers can treat the case like any other and consider the same criteria as for non-represented employees. <p>Please see the <i>Bargaining Unit Salary Action Chart</i> in this toolkit for the most current information for each bargaining unit.</p> <p>Contract changes can be found on the Labor Relations website: hrweb.berkeley.edu/hrlabor.htm</p>
<ul style="list-style-type: none"> • <i>What are the basic criteria for setting salaries?</i> 	<ul style="list-style-type: none"> • There are several criteria to consider when setting employee salaries. Not all will be applicable in every situation. Consider the following: <ol style="list-style-type: none"> 1. Budget – do you have the salary dollars available to fund the salary? 2. Internal Equity – what are other employees in the same title earning? How similar is their performance? Experience? Skills? Knowledge? Assignments? 3. Market Rate – an approximation or best estimate of the going wage rate for employees with similar qualifications performing similar functions in the defined labor market. 4. Bargaining Contract – in some cases, specific salary increases for represented employees are mandated by contractual agreement. 5. Employee considerations – knowledge, skills, and abilities of the candidate for a position, or an employee's overall performance. 6. University considerations – UC policy limits, recent employee raises, disparate impact issues.
<ul style="list-style-type: none"> • <i>How will OHR assist us with these delegations, given the additional workload for the departments?</i> 	<p>OHR can help in several ways:</p> <ol style="list-style-type: none"> 1. Consulting – we are available to consult with you throughout the decision-making process; to review your staffing ideas, needs and plans and to help prevent problems as you spend your salary dollars. 2. Salary Actions – we will post-audit salary actions to ensure compliance with bargaining unit agreements and to ensure consistency of delegated salary actions. 3. Data – the Compensation unit is already providing internal salary data and will be able to provide more using HRMS. Compensation will also provide external market data from outside surveys whenever relevant and available.

Frequently Asked Questions

Question	Answer
<ul style="list-style-type: none"> • <i>How will OHR ensure that some departments don't fall further behind "wealthier" departments on campus in terms of staff numbers and compensation (if departments have to cash in vacant positions for salaries)?</i> 	<ul style="list-style-type: none"> • Unfortunately, there is no way for OHR to absolutely ensure this, but we will post-audit salary actions for some broad level of consistency and compliance with bargaining unit agreements. The Cabinet has specifically requested OHR to monitor this and to report to them any emerging issues.
<ul style="list-style-type: none"> • <i>Can a represented employee file a grievance if a manager refuses to forward a request for reclassification or other salary action?</i> 	<ul style="list-style-type: none"> • No. In some labor contracts (TX, RX, HX), a covered employee can submit a reclassification request directly to OHR if the supervisor does not act on the request within 30 calendar days.

Classification

Overview

The Compensation Unit in the Office of Human Resources implements and monitors the University's classification system; however you determine the duties and responsibilities of positions in your department, which in turn helps determine the proper classification or payroll title.

Changes in duties and responsibilities can occur with a departmental reorganization, or as an employee becomes more experienced and takes on additional higher level, permanent assignments. For these reasons, the Compensation Unit continues to review jobs that have changed significantly, in addition to new positions. The Compensation Unit provides the following services to the campus:

- Classifying and reclassifying positions in the various personnel programs
- Providing information on how to write job descriptions
- Consulting on how changes in duties may affect a job
- Conducting departmental studies/unit organization reviews
- Working with departments to determine more appropriate and cost effective structuring of jobs to meet unit needs
- Providing campus liaison with the Office of the President on major classification and compensation issues

Guiding Principles

Your goal is to develop a complete, concise and accurate job description to help properly classify each position as the basis for recruiting, training and evaluating employee as well as a guide for developing performance standards.

How the System Works

The Job Description

The purpose of a job description is:

- To determine the proper classification or grade level for a position
- To develop recruitment and hiring specifications
- To design and restructure jobs
- To provide effective employee training and development
- To help develop performance standards

Who Prepares a Job Description?

The classification process begins when you submit a new or substantially revised job description with supporting information to the Compensation Unit. Your Compensation Analyst is available to discuss questions you may have before writing the description. (This includes restructuring of jobs to meet unit goals and within budget constraints).

The job description can be completed by the employee or the immediate supervisor, depending on which person is more familiar with the position.

How the System Works (cont.)

Who Prepares the Job Description?

If the incumbent is new to the job or the position is new, you may wish to complete the job description. If the employee completes it, you should validate it, because you are the person with authority to determine the actual duties and responsibilities of the position. After you review and sign the job description, the department head or designated business officer/administrator reviews and signs it.

Some departments, colleges, or control units have Personnel Managers who review the job description, compare it to positions within the department, school, or college, and provide guidance on reclassification requests; they may also have delegated authority to classify positions.

Completing the Job Description

A well-written job description should be easily understood by anyone who reads it – not only by those familiar with the position. Some technical abbreviations, language or documentation unique to the unit may be quite understandable when used within the unit, but might require further explanation for classification. When writing a job description always be clear, concise and complete.

A results-oriented description explains why functions are performed and allows you to more effectively manage the objectives of the position; it also helps the Compensation Analyst evaluate the position more quickly and effectively. Remember to develop the following in the job description:

- *Introduction*: state the function of your unit and the primary purpose of the position in a brief narrative paragraph.
- *Duties*: Identify the major duties (those which require at least 10% of time over a specific time period such as annually, monthly, weekly). Use specific action verbs to describe duties; for example, “open, post and distribute mail,” not “handle mail.” Avoid vague terms like “assist in”, “arrange for”, or “administer” which do not describe job duties.
- *Responsibility*: As applicable to the job duties, define the authority and/or responsibility to make decisions, develop and revise procedures, make official commitments, etc. Indicate to whom recommendations are made, and for whom analyses are performed and reports are prepared. Describe the impact of decisions made by the employee on the department and/or campus.
- *Supervision Exercised*: If supervisory responsibilities are assigned, explain the employee’s role; for example: interview and select employees; train; plan, schedule, and assign work; evaluate performance; and take disciplinary action. Be precise and specific in identifying all supervisory tasks.

How the System Works (cont.)

Completing the Job Description

- *Position Controls*: you may complete this section separately in a narrative form or with the description of the duties and responsibilities.
- *Assignments*: document from whom and in what form the assignments are received, and what kinds of instruction and directions are given. For example, what work is performed independently and what work is routed to you for review?
- *Guidelines*: give brief, clear examples of resources used for guidelines or consultation in performing the job. Include examples of problems that require assistance from you or other sources.
- *Indicate essential duties*: under the Americans with Disabilities Act (ADA), functions considered essential should be shown with an asterisk (*). A job function is considered essential if:
 - * Performance of the function is the reason for the job existing.
 - * A limited number of employees are capable of performing the function.
 - * The function is highly specialized, requiring unique expertise or abilities

Note: See the section on *Physical, Environmental and Mental Demands (PEM) Form* for more details.

Questions to Ask Yourself

After you have completed the job description, review it and ask yourself these questions:

- Is it logically organized to describe all the duties and responsibilities?
- Does it avoid using vague terms? Is it clear and current?
- Is it specific in explaining what is done and why? Are good examples used to illustrate complex and abstract issues?
- Is it concise? Are major duties addressed, rather than giving a detailed list of tasks?
- Does it include only material describing the position? Are personal references to the incumbent avoided?
- Are essential duties (as determined by the ADA) indicated with asterisks?
- Does the description provide a valuable introduction for a new employee in the position?

How the System Works (cont.)

Completing a Departmental Cover Letter Or Supervisors Checklist

The job description should be accompanied by a cover letter and/or Supervisor's Checklist from the immediate supervisor, the department or unit head, or a designated representative. The cover document should address the following:

- Significant changes to the position since last review: identify specific areas of change. This section is extremely valuable for the Compensation Analyst's review. The more information you provide on relevant changes, the more easily the Analyst can make an informed decision. If you have a copy of the duties previously performed, attach it to the description.
- Recommendations: Your reasons for recommending a reclassification and/or title change should be noted in the cover letter or Supervisor's Checklist.

Preparing an Organization Chart

Submit a current organization chart with each classification/reclassification request. A formal, printed organization chart is not required, but it should be sufficiently detailed to reflect departmental structure and the position's relationship in the current organization.

Physical, Environmental and Mental Demands Form (PEM)

This form helps a department determine the demands of a position and recognize any accommodations that may be necessary under the Americans with Disabilities Act (ADA). A copy of the PEM form should be attached to the Job Description in the employee's personnel file.

For Job Vacancy Listings, document any outstanding PEMs or any PEMs unusual for the classification. The PEM forms are available from Campus Supply, in the Office of Human Resources and on-line.

The Classification/Reclassification Process

Reasons for Classification Review

When developing your reasons for the classification review, ask yourself whether the duties and level of responsibility have changed significantly.

Normally, descriptions are not submitted for review unless they have changed substantially and significantly since the last review. If you are uncertain, you can discuss the changes with your Compensation Analyst. You may also want to review the job specifications available by request and on the Human Resources web site.

Note: See Job Evaluation section below for an explanation of job specifications.

Sometimes a reclassification request is motivated by the desire to reward a top performer. When an employee exceeds performance standards, you may feel pressure to show appreciation through reclassification. Such efforts are more appropriately recognized through the merit program.

Note: See the next section, “*Compensation*”, for an explanation of merit increases.

It is extremely important to request a job review only when appropriate and to thoroughly prepare your request; including determining whether budget dollars are available to fund the reclassification, if approved. Although the majority of reclassification requests are approved, the ones that are denied can cause frustration for the employees involved. This can be demotivating and can become a source of conflict between the supervisor and employee when the employee feels that there was a lack of supervisor support for the reclassification request.

A reclassification is normally effective on the first of the month following receipt of the request in the Office of Human Resources (for example, a reclassification request received in June, if approved, would take effect on July 1).

The Classification/Reclassification Process

Job Evaluation

When reviewing a position for classification, the Compensation Analyst carefully studies the job description and other related materials such as the Supervisor's Checklist and organization charts submitted for review. Such documents highlight important information related to changes in the position.

The Analyst considers how a position has changed (additional duties, supervision exercised and received, and other critical components of the position) and compares the position to the published classification standards for the job series and to similar positions at Berkeley.

In some cases, the Analyst will consult with campus experts in the field to obtain their perspective and assessment of the position. Positions in the MSP program are reviewed on a regular basis, and final decisions are made by the Vice Chancellors.

A job series or family, is a group of jobs with similar functions that require similar, specialized knowledge and skills. Examples of job series include the clerical/administrative series, student affairs officer series, and the programmer analyst series.

The job specifications identify the different levels of work within a series. For example, within the clerical/administrative series, three levels of () Assistant (I, II, and III) are identified and defined. Employees can review the specifications at the Reference Desk of the Main Library, in the Office of Human Resources or on the Human Resources web site (<http://hrweb.berkeley.edu/hrpay.htm>).

Compensation Analysts consider these important factors when classifying a position:

- Nature or type of work performed
- Level of responsibility
- Impact of position on the unit, department, or campus
- Reporting relationships
- Scope of duties
- Complexity of work
- Creativity/innovation
- Supervision received
- Supervision exercised
- Knowledge and skills required to perform the duties

Other factors cannot be considered in classifying a position:

- Performance of the incumbent
- Longevity of the incumbent in position
- Unusual qualifications
- Personality
- Financial needs

The Classification/Reclassification Process

Job Evaluation

Based on the review and comparisons, the Compensation Analyst determines the appropriate title. The Analyst may call you during the course of the review to discuss the findings. You will receive written confirmation of the decision, usually through electronic mail.

Appeals and Reviews

Check the relevant personnel policy or contract for guidelines on formally appealing or reviewing a classification decision

Other Resources:

- Compensation Analysts in the Office of Human Resources
- Classification Standards/Concepts available at the Reference Desks of the Main Library and Moffitt Library, in the Office of Human Resources and on the Web (<http://hrweb.berkeley.edu/hrpay.htm>)
- Clerical/Administrative Matrix, Programmer/Analyst Matrix, and Student Affairs Officer Matrix
- *How to Write a Job Description* – class offered by the Classification/Compensation Unit and coordinated through the Employee Relations Unit in the Office of Human Resources
- *How to Write a Job Description and Request a Classification Review* (available in each campus department or from the Office of Human Resources)

Job Vacancy Listing Checklist

- _____ The Job Description
- _____ The Job Vacancy Listing (JVL)
- _____ Physical, Environmental, and Mental Demands (PEM) Form
- _____ An Organization Chart
- _____ A Cover Letter describing changes in the position, where appropriate
- _____ Appropriate signatures, including approval for exception to any funding freeze when required

Reclassification Review Checklist

- _____ The current Job Description
- _____ The former Job Description
- _____ The Supervisor's Checklist and/or a Cover Letter describing changes in the position
- _____ An Organization Chart
- _____ Appropriate signatures, including approval for exception to any funding freeze when required

Compensation

Overview

The objective of the Berkeley campus compensation program is to establish and maintain salary rates that help you recruit, retain, and motivate highly qualified employees. The Compensation Unit in the Office of Human Resources oversees the pay programs for all staff employees covered by Personnel Policies for Staff Members (PPSM), and the various collective bargaining units.

Policies, procedures and practices differ among the programs, in terms of flexibility to manage salary actions, hiring, promotions and merit increases. Your Compensation Analyst is available to consult with you on pay issues, as well as to interpret pay policy and procedures.

Guiding Principles

Your goals in the compensation program are to:

- Make salary decisions based upon appropriate equity and budget considerations
- Encourage and reward excellent performance with merit increases whenever possible
- Provide salary increases within available funding
- Motivate employees by demonstrating the link between performance and pay

Salary Ranges

Salary ranges for occupations found in the local labor market involve a number of factors: local prevailing salary rates, campus recruiting and retention problems, and internal relationships to other related classifications. Salary ranges for occupations that require statewide recruitment are based on state or national rates.

Currently, two different salary structures for staff positions exist in the campus system: *positions with steps (step-based)* and *positions without steps (open ranges)*.

Positions with Steps

Covered under some collective bargaining unit contracts and Police Sergeants covered by PPSM.

- The salary of an employee must be on one of the predefined steps.
- *Title and Pay Plan* consists of ranges of monthly and hourly rates of pay
- A *Step Structure* normally consists of five successive steps of pay. A 20% difference between first step (minimum) and fifth step (maximum) is typical.
- Each step is approximately 5% above previous step (varies)
- Salaries for the majority of staff employees are stated in monthly rates
- With a range adjustment, each step is increased by a specific percentage, and each employee on a step automatically receives the new rate for that step.

Salary Ranges (cont.)

Positions without Steps

Those in the PPSM – Managers and Senior Professionals (MSP) group and PPSM – Professional and Support Staff (PSS), except for Police Sergeants, and some positions covered under some collective bargaining unit contracts:

- A *salary grade range* assigned for each title in MSP & PSS.
- Salaries of individuals in MSP program are determined by their placement in the appropriate range (i.e. titles cross grades).
- Each grade range is divided into *quartiles* with a defined minimum, midpoint and maximum rate. There is a percent range spread within each grade and approximately a 10% midpoint differential between grades in most cases.
- Salaries are stated in *annual rates* and in whole dollar amounts, not steps.
- An individual's salary may be any whole dollar amount within the range.

Range Adjustments and Structure Adjustments

Salary range adjustments apply to step-based positions, usually in one or more selected classifications on a system-wide or local campus basis. Recommendations for salary range adjustments are based on, but not necessarily limited to:

- Prevailing salaries in public jurisdiction and private industry
- Campus recruiting and retention problems
- Internal comparisons
- Amount of available funding
- Agreements with Unions

Open-Range or Merit-Based Pay

Salary structures for open-range or merit-based pay plans are reviewed annually and adjusted when funding is available by the state and/or when warranted by market conditions. Automatic increases are not provided when structure is adjusted; individuals are usually eligible for performance-based or merit-based increases.

Salary Ranges (cont.)

Salary Placement Guidelines

The Salary Placement Guidelines are intended to provide managers with the framework they need to establish and maintain fair and equitable salaries in managing the work force.

These guidelines apply to new hire, promotional, reclassification, stipend, and merit increase salary actions. These are guidelines only and do not take the place of University policy or campus procedures.

These Salary Placement Guidelines apply to the broad salary ranges which do not have steps and which allow managers to appoint employees at a specific whole dollar amount.

- *First Quartile* (from the minimum up to halfway to the midpoint of the range): the first quartile of the range is usually intended for individuals who are new to the grade, are in a learning situation, and/or do not have substantial experience in the new position.
- *Second Quartile*: the second quartile of the range is intended for employees who have gained experience and skill and who are becoming more proficient in the position for which they were hired. They generally meet expectations in their given position.
- *Midpoint*: the midpoint of the range is the approximate average salary at which most of the experienced, seasoned, professional staff members in a title will cluster; usually after being in the position for several years. This point is intended for those employees who are fully experienced and consistently meet expectations in their position.
- *Third Quartile*: the third quartile is typically reserved for experienced employees who frequently exceed expectations.
- *Fourth Quartile*: the fourth quartile of the range is normally reserved for individuals who are consistently exceptional performers and who have extensive experience.

Salary Ranges (cont.)

Starting Salaries/New Hire Salaries

Establishing a starting salary for a new employee or deciding to give a promotional increase requires careful consideration. In both cases, you should determine how the employee's prior experience, knowledge, and skills compare with other employees already performing the same job.

Before establishing the starting salary of a new employee, consider each of the following factors:

- Recruiting difficulty (size of qualified applicant pool, length of recruitment, etc.)
- Candidate's salary expectations
- Comparable internal salaries
- Employee's knowledge, skills and experiences compared to others performing similar work
- Eligibility for merit increase based upon hire date
- Budget

For positions with steps (those covered under some bargaining contracts and Police Sergeants in PPSM):

- Authority up to the mid-point of the range is delegated to the hiring department. The Vice Chancellor or delegated Dean has approval through the range. Consultation with OHR is expected for above mid-point salaries.

For PPSM-MSP, PPSM-PSS positions and some positions covered under some collective bargaining unit contracts:

- Requests for consideration above the midpoint are approved by the Vice Chancellor, except where this authority is delegated to specific Deans. MSP appointments above the midpoint of the salary range require final approval by the appropriate Vice Chancellor.
- Consultation with OHR is expected for above midpoint salaries.

Salary Ranges (cont.)

Promotional and Reclassification Increases

- For positions under PPSM, hiring departments are authorized to grant promotional and reclassification increases up to and including the midpoint, not to exceed 25% (except as required to reach range minimum) or up to Step 3 of the range.
- Vice Chancellors approve increases above the midpoint or Step 3, unless it has been re-delegated (i.e. to Deans).
- For exclusively represented employees in units with collective bargaining contracts, consult the contract for the specific authority to grant promotional increases.

Merit Increases

Salary increases are granted to eligible employees in career positions based upon their job performance. Merit eligibility is contingent upon completing three months of service in PPSM.

The amount of the increase depends upon the individual's performance in relation to current pay and assigned responsibilities, position within salary range, performance relative to other members of the review unit, and availability of funds.

The Compensation Unit manages the campus' merit programs. Key elements of the staff merit process typically are:

- Compensation Unit sends a call letter to the control units (organizations under a Vice Chancellor or Provost), announcing the merit program and outlining the merit increase guidelines and control figures as determined by the Campus within parameters set by the Office of the President. (Control figures represent the fund pool available for merit increases).
- Higher merit increases are provided for employees who perform above expectation in achieving goals and objectives; however, no merit increase may result in the final salary exceeding the range maximum and no salary is to fall below the range minimum.

Administrative Stipends/Temporary Reclassifications

- In PPSM, stipends may be granted to recognize temporary performance of higher-level duties or "other significant duties" not part of the employee's regular position.
- For employees represented by a collective bargaining contract, consult with the contract to determine stipend/temporary reclassification constraints.

Salary Ranges (cont.)

Equity Increases

An equity increase may be granted under unusual circumstances, and is typically based on a serious salary inequity, which cannot be corrected through the merit review cycle.

A salary inequity exists when an employee's salary is significantly below that of those in the same title code with similar performance, experience, skills, knowledge and assignments. Examples of situations that may indicate a salary inequity include:

- The salary of a long term-employee is low relative to a new hire whose salary is market-driven.
- There is significant salary compression between a supervisor and his/her employees.
- An employee changes from a casual to a career position in the same class.
- Market factors influence recruitment and retention

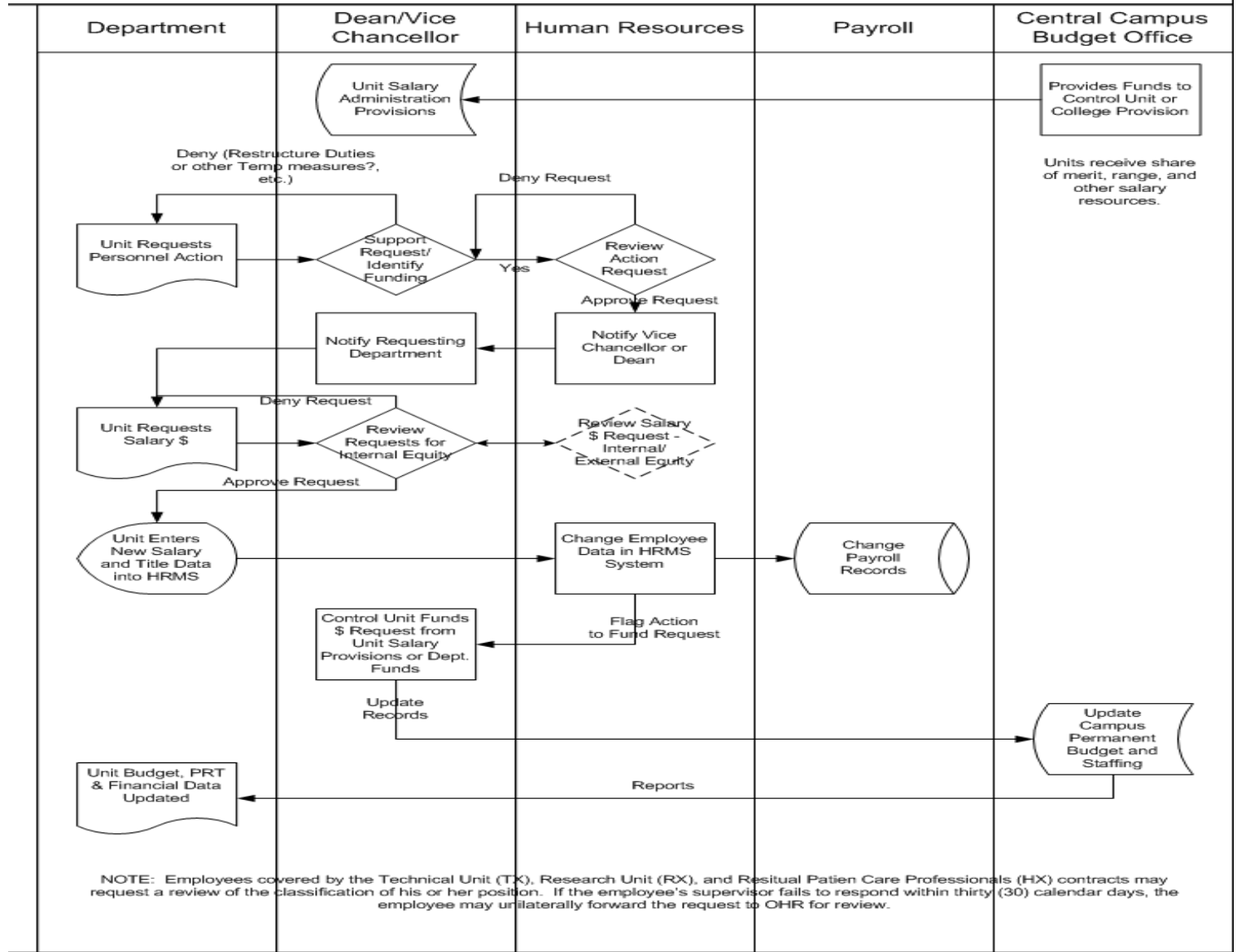
Upon a lateral move, normally there will be no change in salary. In exceptional cases, an employee may be considered for an equity increase.

The department head will submit the request through appropriate channels to the control unit head. The control unit head will review for a final decision.

Additional Resources:

- Compensation Unit in Office of Human Resources (OHR)
- Berkeley Campus Title and Pay Plans (<http://hrweb.berkeley.edu/hrpay.htm>)
– Also at the Reference Desks of Main Library and Moffitt Library
- Pay procedures packet (<http://hrweb.berkeley.edu/hrpay.htm>)

Salary Action Process (After Decentralization - July 1, 2002)



Staff Annual Plan

- *Staff Annual Plan*: working document which covers all staff, their titles, salaries, assignments, position in the organization and projected changes which impact them and the organization in the coming year.
- Unit Goals and Objectives drive the Plan
 - ◆ What changes will there be in scope and/or mission?
 - ◇ New programs?
 - ◇ Growth of current programs?
 - ◇ Reduction or contraction of programs?
 - ◆ Problems facing the unit
 - ◇ Internal – Financial/Budgetary
 - ◇ External – New programs or processes requiring support (e.g. HRMS)
 - ◆ What goals and objectives were accomplished?
 - ◆ What remains to be accomplished?
 - ◆ Re-organization of work, new organizational structure required?
- Staffing Needs
 - ◆ Additional staffing required? More of current levels?
 - ◆ Higher level staffing required?
 - ◇ Concentrating higher level duties in higher level positions usually does not result in reclassification.
 - May limit career advancement opportunities
 - ◇ Assigning duties to lower level positions may result in reclassification.
 - May provide career advancement and enhance retention
 - ◆ Training needs: what training will the unit have to provide staff to meet mission requirements?
 - ◆ Currently vacant positions:
 - ◇ What skills does the unit need that it doesn't have?
 - ◇ How can positions be re-structured to meet those needs?
- Staff Annual Plan should cost out additional dollars required for these as well as for:
 - ◆ Equity needs
 - ◆ Retention needs
 - ◆ Bargaining Unit requirements
- Staff Annual Plan should also include:
 - ◆ Time line for implementation
 - ◆ Communications Plan
 - ◆ Role of employees in process
- Staff Annual Plan should be flexible and revised as needed.