



Policy Number 3.3.12

Chapter: Administration

Title: Employee Compensation

Division/Department: Administration/Human Resources

Policy Administrator: Director of Human Resources

Adoption Date: July 1, 1999

Revision Dates: July 1, 2018, January

22, 2025, October 1, 2025

1. PURPOSE

The purpose of this policy is to provide direction regarding new hires and salary increases for promotions and reallocations.

2. DEFINITIONS

This Policy does not require the definition of any specific terms.

3. POLICY

3.1. New Hires

3.1.1. While AHEC lists the full salary range a position may earn on employment announcements, new employees are typically hired at or near the range minimum.

3.1.2. In the event that a supervisor desires to hire at a rate above range minimum (within 10 percent), pre-approval must be received from the Division Chief and the Director of Finance and Business Services. Any request for a salary rate that exceeds 10 percent above the minimum salary rate must be justified by the Manager/Director in writing and approved by the Division Chief, Director of Finance and Business Services, and Chief Executive Officer. The monthly salary must not exceed the range maximum for the class.

3.2. Salary Increase on Promotions and Reallocations

- 3.2.1. Base pay for employees receiving an upward movement may remain the same or increase up to 10 percent. The new base rate must not be lower than the range minimum or higher than the range maximum for the new position. Any request for a salary rate adjustment that exceeds 10 percent must be justified by the Department Head in writing and approved by the Division Chief, Director of Finance and Business Services, and Chief Executive Officer.
- 3.2.2. Salaries of transferring employees selected through a competitive process may be set at or near the minimum of the pay range. If the transferring employee's current pay rate is above the minimum of the salary range, the hiring authority may allow the employee to transfer at their current rate of pay or up to 10% above their current rate of pay but not exceeding the maximum of the pay range.
- 3.2.3. Salaries for voluntary (competitive, non-disciplinary) demotions can be anywhere from the minimum of the pay range up to the midpoint for the lower level position. If an employee's current pay rate is above the midpoint of the salary range, the hiring authority may allow the employee to demote at their current rate of pay, subject to the pay grade maximum of the range for the lower level position. For disciplinary demotions, pay will be determined by Human Resources.

3.3. In-Range Salary Movements:

- 3.3.1. In-range salary movements may be used to increase base salaries of employees within their current classes and positions for the reasons listed below. To be eligible, an employee must have at least one year of continuous service and be performing satisfactorily as evidenced by the most recent final overall performance rating. In most instances, the increase may be up to 10 percent, subject to the pay grade maximum; however, if significant salary compression/inequity exists, a greater increase may be approved by the Director of Human Resources. The reasons for in-range salary movement include:

- Job changes
- Retention/Counteroffer
- Equity Adjustment
- Market Adjustments

Further information about each of these reasons is available from Human Resources.

- 3.3.2. This type of salary adjustment is not to be used as a method of providing a

merit-based salary increase, or to otherwise recognize an individual employee's performance, development or abilities. Merit-based increases for state classified employees can only be accomplished as authorized by the state Department of Personnel and Administration.

3.3.3. Salary movements of this type are discretionary as requested by the Department Head and are subject to available funding and review and approval by Human Resources.

3.3.4. Absent extraordinary circumstances, salary movements will only be approved at the start of a new fiscal year.

3.4. Incentive Awards

3.4.1. Incentive awards are one-time, non-base building pay granted as a means of recognition of specific performance for exceptional service, typically involving unplanned work coverage, special project work, achievements above and beyond expectations, and other similar circumstances. Examples include, but are not limited to, application of new competencies, assuming new responsibilities on an interim & short-term basis, and individual incidences of safety, achievement, reliability, excellent customer service, years of successful performance, positive attitude, or teamwork.

3.4.2. Incentive awards may be granted by the CEO at the CEO's discretion and may be requested by a Division Chief or department head. There must be a justification for the award describing the performance being recognized and approval by the CEO.

3.4.3. To receive an Incentive Award, individuals must be actively employed by AHEC in a non-temporary position at the time the award is paid.

3.4.4. Types of Incentive Awards:

- Non-base building cash award - to an employee in recognition of special and/or exceptional contributions or accomplishments
- Time off work provided as paid administrative leave

3.4.5. Incentive Award limits and payment:

- There is no minimum Incentive Award.
- Cash awards and the value of time off awarded may not exceed 15% of base pay.
- Incentive Awards do not modify an hourly pay rate and are not subject to shift differentials.

- Awards are processed as payroll transactions and are reported as ordinary income to the employee subject to state/federal withholding and other payroll deductions.

4. APPROVAL AND ADOPTION

This Policy has been reviewed and approved by the Board of Directors for the Auraria Higher Education Center.

Date: January 22, 2025

Approved by: */s/ Kate Barton*

Chairperson of the Auraria Board