



To: Dr. Steve Kinslow, President

From: Geraldine J. Tucker, Vice President

Date: June 14, 2011

RE: Board Policy F-10, Employee Compensation
Non Faculty Compensation

Position Analysis Process

The College has a Position Analysis Request (PAR) process in which an employee or supervisor can request review of a position in which an employee's job responsibilities have changed over fifty-percent during the past year. This year we received forty five (45) requests to review a position. The positions are reviewed by each supervisor in the supervisory chain and the Executive Vice President (or highest level administrator) makes a final decision.

Of the forty five (45) requests, twenty three (23) were approved and twenty two (22) denied. Six (6) employees appealed the denial and four (4) requests were approved after the appeal.

We made several improvements in the process this year including the following:

- Employees and supervisors were able to submit requests (rather than just the supervisor).
- All PARs continued through the process with feedback from each supervisory level.
- Employees had the opportunity to appeal a decision and meet with the administrator and HR.
- A new Compensation Advisory Committee was formed with representatives of the non-faculty associations. The committee members reviewed the data and provided input into the process and outcomes.

The estimated budget impact is \$75,000.

Non-Faculty Market Study

In accordance with Board Policy F-10, Employee Compensation, HR Compensation conducted the non-faculty market study for FY12. A market study is conducted every two years. The study this year included a benchmark analysis, overall pay analysis, and pay structure analysis.

The survey focused on 355 non-faculty titles. Survey data was collected from seven published surveys and one customized survey. Sufficient data was collected for 100 benchmark positions and other positions were “linked” in order to determine movement in the market. HR Compensation completed an analysis of the positions and provided recommendations to the administration and the Compensation Advisory Committee. After input and feedback, the staff completed an analysis to compare ACC’s average salaries to the market benchmarks. The analysis verifies that, after implementing the recommended position changes, ACC’s positions are, on the average, market competitive.

Attached are charts describing the process, data collection and results. The overall budget impact for the market adjustments is \$565,000.

Market Study Overview

- In accordance with Board Policy F-10, Employee Compensation, HR Compensation conducted a non-faculty market study for the FY12 academic year. This market study is conducted every two years. The market study was organized in three phases: Phase 1 - Benchmark Analysis; Phase 2 - Overall Pay Analysis; and Phase 3 - Pay Structure Analysis.
- This survey focused on the 355 Classified (140) and Professional-Technical (215) titles. Survey data was collected from seven published surveys and one customized survey. Sufficient data was gathered to identify 100 benchmark positions, with additional positions identified as cross college linked positions.
- Titles that were not included in the list of benchmarks were linked to benchmark titles within the job families. Such job links are called family links. Not all job families have benchmark titles in the family. These titles were linked to other benchmark titles outside the job family. These links are called cross-college links. Functionally linked titles have a relationship to another title based on the similarity of job function or scope. Functional links may link to a non-benchmark title which is further linked to a benchmark. Cross-college and functional links may or may not be in the same pay grade.
- Regression analysis and linear relationships were used to establish an ACC pay line (overall pay), a survey line (the benchmarked titles average salaries), and a comparison of ACC midpoints and benchmarks (for pay grade structure analysis.)
- Best practice guidelines were followed in the survey process.
- Externally funded positions and those positions created outside of the ACC pay structure are not included in the Market Study. (i.e. Virtual College of Texas, E3 Alliance, Early College High School)

Benchmark Report

Benchmark Activity	Classified	Prof-Tech	Total
Potential Benchmarks	54	72	126
Potential Benchmarks Not Selected	7	19	26
Benchmarks Used	47	53	100
Benchmarks Used: No Pay Grade Changes	18	14	32
Benchmarks Used: Pay Grade Changes Deferred	10	7	17
Benchmarks Used: Proposed Pay Grade Changes	21	30	51

Employee Impact

Employee Impact	Total # of ACC Classified Employees [±]	# Classified Impacted	% Classified Impacted	Total # of ACC Prof-Tech Employees [±]	# Prof-Tech Impacted	% Prof-Tech Impacted	% Total Non-Faculty Employees [±]
A. Employees in benchmark and linked positions with no pay grade change	922	774	83.9%	433	325	75.1%	81.1%
B. Employees in benchmark and linked positions with pay grade change	922	148	16.1%	433	108	24.9%	18.9%
Of B... Employees receiving salary adjustments	922	69	7.5%	433	79	18.2%	10.9%
Of B... Employees already over midpoint of the new pay grade and receiving no salary adjustment	922	79	8.6%	433	29	6.7%	8.0%

**Excludes vacancies and externally funded/structured outside ACC positions. Includes grant positions that are structured similar to ACC positions.*

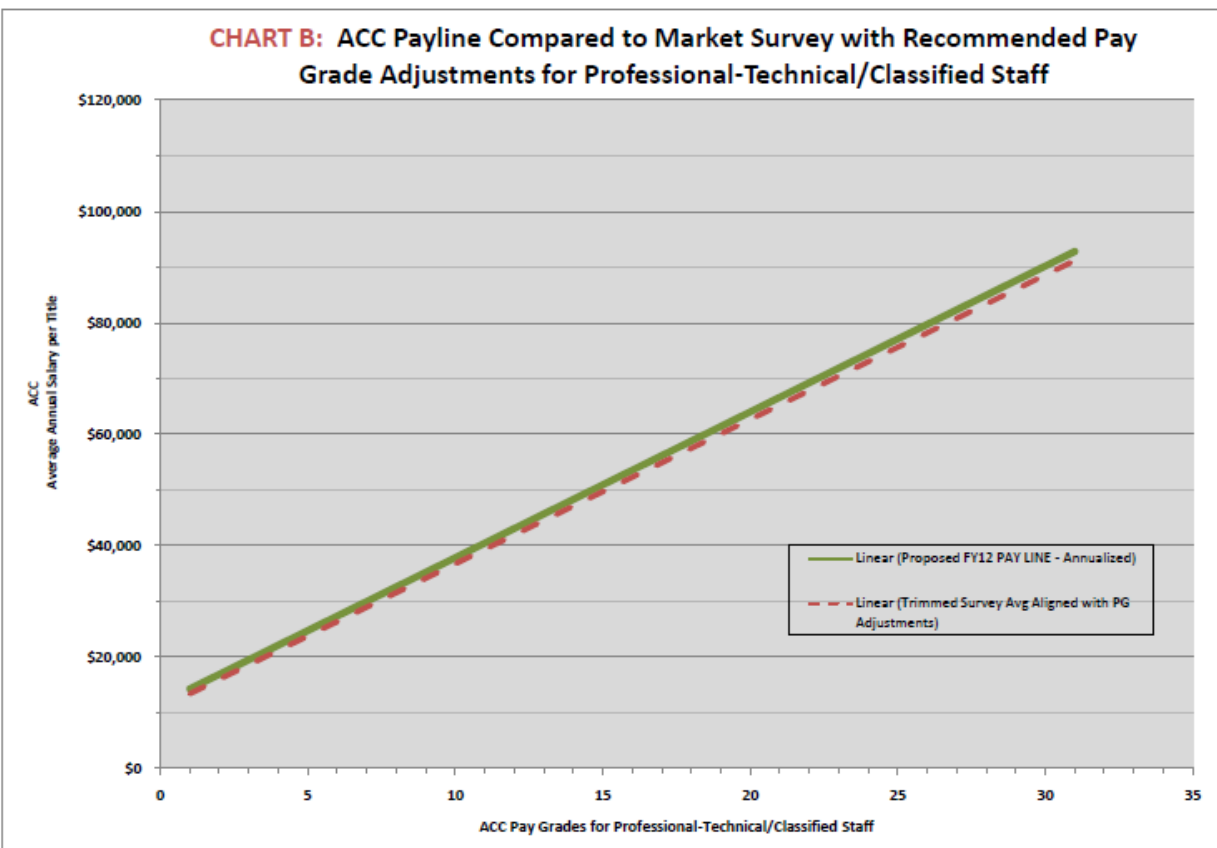
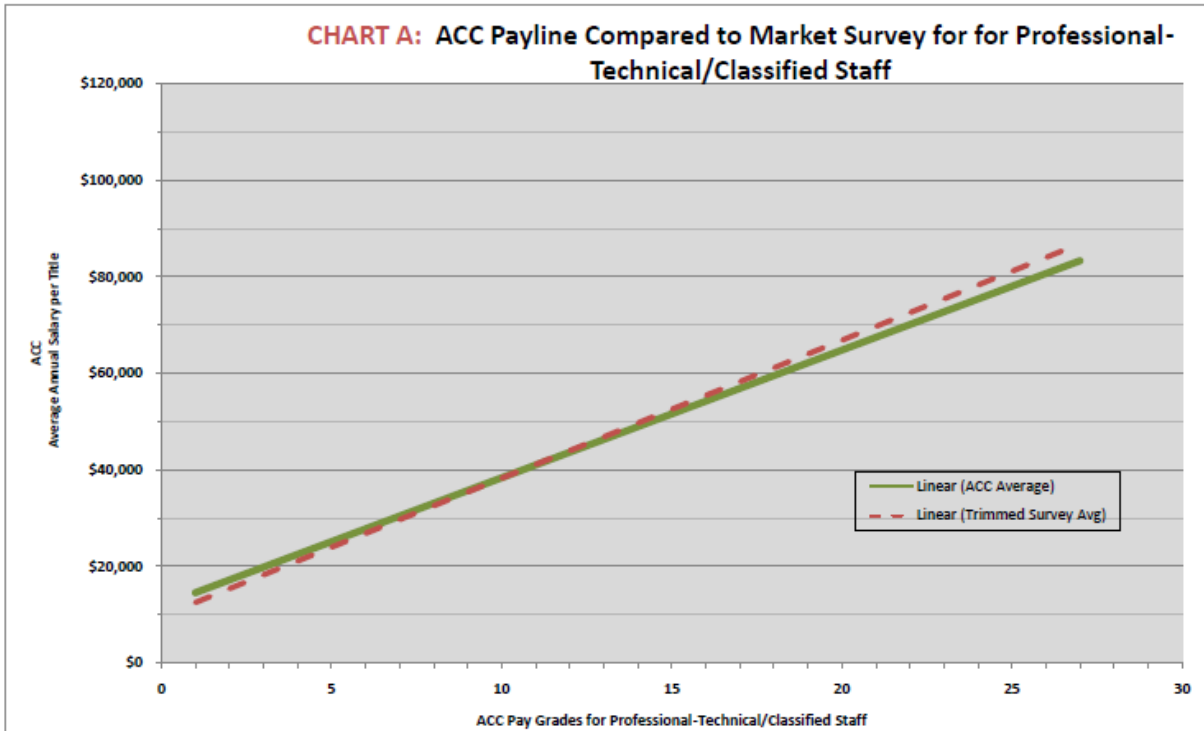
Employee Participation

The Compensation Advisory Committee was formed of Classified and Professional-Technical representatives (8 total) to promote shared governance and transparency in the market study process. HR Compensation presented the study process and methodology to the Compensation Advisory Committee. The committee reviewed the initial benchmark and linked position data and had the opportunity to make comments. They reviewed the finalized benchmark movement and linked position data prior to presentation to the PLT on May 31, 2011. Upon PLT approval, HR Compensation will review with the Compensation Advisory Committee any changes made.

Results

In the beginning of the study, the aggregate data (Chart A) showed ACC paying higher at the lower pay grades (due to the impact of the Living Wage), and ACC paying lower at the higher pay grades.

After market adjustments were made, the aggregate data (Chart B) showed ACC paying 100% aligned with market.



Recommendations

- **No Pay Grade downward movement:** This is the first year using these nine data sources and the regression analysis methodology. Therefore, the decision was made that no job would be moved to a lower pay grade this year. In FY12, HR Compensation will measure these jobs again to see if there is a difference in the data. In FY13, the study will once again measure the data on these jobs. A decision will be made at that time whether to move the position consistent with the market. Thus, the decision to lower pay grades will be made based on three years of data.
- **Add new pay grades:** Pay Grades 28-31 will be added to the non-faculty salary scale to accommodate the market adjustments.
- **New Administrator titles:** Due to the scope of work performed two titles are recommended to be reclassified as Administrators. They are the District Police Chief and the Executive Director, Environmental Health, Safety, and Insurance.
- **Approve the market adjustments:** To comply with Board Policy F-10, adjust the ACC non-faculty salaries to align with the market data.