

SALARY ADMINISTRATION PROCEDURE

This procedure is governed by its parent policy. Questions regarding this procedure are to be directed to the identified Procedure Administrator.

Functional Category:	Human Resources
Parent Policy:	Compensation Policy
Approval Date:	July 16, 2021
Effective Date:	July 16, 2021
Procedure Owner:	Vice President, People
Procedure Administrator:	Senior Manager, Talent

Overview:

This procedure serves as the basis for consistent and equitable salary decisions within the college.

Authority to establish this procedure is derived from the [NorQuest College Board of Governors Policy No. 5](#) which delegates authority to the President and CEO to establish policies and procedures for the college's management and operation.

Procedure:

Salary at NorQuest College (college) is to be administered in accordance with the Compensation Policy, the Terms and Conditions for Employment, Collective Agreements and instructions specified for the following topics.

Appointments

An individual appointed to a position or assignment will be paid within the pay band of that position or assignment. The Compensation Policy and the following factors will determine the pay upon appointment:

- Related education (qualifications)
- Directly related experience
- Previous salary
- Salary relationship to subordinates, peers, and supervisor; and
- Market considerations

A Human Resources Consultant or Talent Acquisition Specialist will be involved in the recruitment of a new hire and, in consultation with the hiring manager, will establish the appropriate pay level and make the offer to the successful applicant.

Wages associated with an offer for casual employment must be determined in the same manner as noted above and with the advice of a Human Resources Consultant.

Promotions

An employee who moves to a higher-level position for which they meet the minimum specified qualifications will be paid within the new salary range effective the date of promotion. The following factors will determine the pay upon promotion:

- classification of current position
- past work experience
- service of six (6) months or more towards the next scheduled increase
- salary relationship to subordinates, peers, and supervisor; and
- market conditions

AUPE Employees	Excluded, Management, and Consultant Employees
Employees promoted within the AUPE classification will receive an increase in salary equivalent to the minimum of the new pay range or one pay step, whichever is higher.	Employees promoted within these categories will receive an increase in salary equivalent to the minimum range of the new pay band or five (5) percent, whichever is higher.
The Division Head may approve a higher increase, but not more than the equivalent of a double pay step increment.	A Division Head may approve up to a ten (10) percent pay increase within the band level if the employee would have been placed at higher salary within the band level range as a new hire. An increase of more than ten (10) percent requires Executive Committee approval.

Normally, employees selected for promotion who do not yet meet the minimum qualifications for the position will be placed in a development role. In these cases, the employee will move incrementally toward the minimum salary band for the position. Within two (2) years the employee will be expected to attain the appropriate minimum qualifications and will be placed within the corresponding pay band.

Lateral Transfer

An employee appointed to a position and assigned a pay band with the same maximum salary as their current position will continue to be paid the same salary.

Position Reclassification

Reclassification of a Position to a Higher-Level Position

When an employee’s position is reclassified to a higher band level it is considered a promotion and the employee’s salary will be determined as described in the promotions section of this procedure.

Reclassification of a Position to a Lower Level Position

When an employee’s position is reclassified to a lower band level, their salary will be protected over-range until the employee’s salary lands within the pay band of the lower level position or for a maximum of two (2) years (24 months), whichever comes sooner. After two (2) years, the employee’s salary will be placed within the band level of the lower position. This timeline may be extended at the discretion of the Executive Head.

An employee’s salary will be reduced immediately, to at least the maximum of the lower level position, when a demotion is the result of disciplinary or voluntary (i.e. through competition) action.

Secondment

When an employee is seconded from one employee group to another, they will be treated, except for pension purposes, as a member of the new group for the duration of the secondment.

A Division Head may authorize a salary adjustment, that is determined as described in the promotions section of this procedure, for an employee seconded or assigned to a higher-level position for a temporary period (for development or other purposes).

The employee's salary will be readjusted at the end of the secondment to the salary the employee would have been receiving had the assignment not occurred.

Acting Assignments

Acting assignments are offered when an employee takes on the duties of a higher-level position within the same employee group.

	AUPE employees	Out of Scope employees	Management employees
Eligibility	Assigned 75% or more of the duties of the higher-level position for five (5) consecutive work days will receive acting pay.	Assigned 75% or more of the duties of the higher-level position for five (5) consecutive work days will receive acting pay.	Assigned 75% or more of the duties of the higher-level position for ten (10) consecutive work days will receive acting pay.
Acting Pay*	Acting pay in accordance with AUPE Collective Agreement.	A minimum of five (5) per cent for acting incumbency pay. With Division Head approval this may be increased to up to ten (10) percent.	A minimum of five (5) per cent for acting incumbency pay. With Division Head approval this may be increased to up to ten (10) percent.
Duration	Acting responsibilities will not normally exceed one (1) year duration.	Acting responsibilities will not normally exceed one (1) year duration.	Acting responsibilities will not normally exceed one (1) year duration.

* Acting pay greater than the amounts noted above requires Executive Committee approval.

At the end of the acting assignment, the employee's salary will be readjusted to the salary the employee would have been receiving had the assignment not occurred.

Performance Increases

Annual performance increases are based on achievement of performance outcomes established when an employee is appointed to a position and annually thereafter.

An employee who has achieved performance objectives on their anniversary date will receive an increment as follows:

AUPE and Faculty Employees	Out of Scope and Management Employees
One pay step increment, not to exceed the maximum pay step of their pay band.	Performance increases are determined and approved by Executive Committee. The anniversary date for salary purposes is September.
<p>The anniversary date for salary purposes is normally the:</p> <ul style="list-style-type: none"> ○ first day of the month in which the employee commenced in a permanent or term position including prior continuous service, or ○ date the employee received a salary increase as a result of a reclassification or promotion, or ○ first of the following month if the commencement, promotion, or reclassification date is after the 15th of a month. 	An employee at the maximum of the salary range of their pay band will receive an equivalent non-pensionable lump sum payment.

Market Modifiers

A temporary adjustment in pay may be made to address the following situations:

Market Scarcity/Competitiveness

A temporary adjustment in pay of up to twenty-five (25) percent of base salary may be made to a position in cases where pressures have been placed on compensation as a result of labour market scarcity, recruitment responsiveness, retention, or external comparability. The Vice President, People will, when appropriate, make a recommendation to the Executive Committee for approval of a Market Scarcity/Competitiveness market modifier. The HR Consultant will then advise both the employee and; if required, the Bargaining Agent in writing.

Compression

A market modifier will be used to address situations where there is less than three (3) percent difference between a manager's salary and their subordinate's total pay.

Market modifiers for compression situations will be managed on a monthly basis. A review of salaries will be completed by People Services to identify any compression situations and a market modifier of up to three (3) percent will be applied to remedy these situations. The increase will be effective the first of the month in which the compression started.

The HR Consultant will advise both the employee and manager of the change in writing. Market modifiers paid to address compression will only be applied to management and out of scope positions and will be paid until such time that the compression is eliminated.

All market modifiers will be reviewed on a regular basis and employees will be given a minimum of ninety (90) days written notice that a market modifier is being removed.

Cost of Living Adjustment (COLA) for Out of Scope and Management Employees

Annually, People will review and recommend to the Executive Committee the need for a market adjustment to the pay bands outlined in the terms and conditions of employment. An approved COLA will normally have an effective date of July 1st.

Other Salary adjustments for Out of Scope and Management Employees

An adjustment to an employee's salary, over and above what is provided for under these procedures, is not allowed except for unusual circumstances such as internal equity. When a Division Head believes that an adjustment to an employee's salary is warranted, the following actions are required:

1. Division Head approval for an increase up to ten (10) percent within the range of the individual's current band level providing the individual has not received a similar increase within the past twenty-four (24) month period. The Division Head will submit the request for salary adjustment and the criteria for the recommendation via email to their Human Resources Consultant for processing.
2. For increases greater than ten (10) per cent, or for an increase that will place the individual's salary beyond the range of their current band level, or if the individual received an increase under this clause within the past twenty-four (24) month period, Executive Head approval is required. The Division Head will submit the request to the Vice President, People including the rationale for the increase via email. The Vice President, People will take a recommendation forward to Executive Committee for approval based on the college's compensation philosophy and policy. The decision of the Executive Committee will be final. The Vice President, People will communicate the decision to the Division Head.

The effective date of the change in salary shall be the first of the month in which the completed documentation was received by the Human Resources Consultant or the Vice President, People accordingly.

Pay Administration

Employees are paid biweekly, every second Friday.

Hours of work for AUPE, Out of Scope and other Academic Staff within the Faculty Association employees are based on 36.25 hours per week. Overtime provisions for hours worked beyond the daily or weekly equivalent are outlined in the AUPE Collective Agreement or the Terms and Conditions of Employment for Out of Scope employees.

Management, Out of Scope, and Faculty employees are expected to work hours required to fulfill their professional responsibilities and achieve results in alignment with institutional objectives. In the case of Faculty, this includes teaching, service, and scholarship.

For the purpose of calculating daily or hourly rates the following applies:

	Days	Hours
Annually	260	1885
Weekly	5	36.25
Pay period/Biweekly	10	72.50
Daily		7.25

Definitions:

Compression: means a situation where there is less than three (3) percent difference between a manager’s salary and their subordinate’s total pay.

Division Head: means anyone who manages a division or multiple divisions. Division Head is responsible for a division(s) reporting directly to an executive and normally includes Deans and Directors but may also include an executive or senior manager.

Executive Head: Means anyone who manages a division(s) and is a member of the Executive Committee.

Manager: means anyone classified as a Manager and manages a division, department, or unit. Managers can include senior managers, deans, directors, members of executive or the President and CEO.

Market Modifier: a percentage of base salary added to each pay period to address compensation concerns such as compression, market scarcity, etc.

Over-range: means salary that is above the top of the pay band range, sometimes referred to as red-circled.

Permanent Position: means a position designated by the college as continuing to meet the ongoing operational requirements of NorQuest’s core programs. A permanent position may be Full-time or Part-time of not less than half time.

Position Reclassification: occurs when specific duties and responsibilities of a position change substantively.

Term Position: means a position designated by the college as a project or replacement position or term-certain for other specified reasons, having a set expiry date. A term position shall be at least six (6) months in duration and may be Full-time or Part-time of not less than half time.

Related NorQuest College Information:

- [AUPE Collective Agreement](#)
- [Compensation Policy](#)
- [Faculty Collective Agreement](#)
- [Management Terms and Conditions](#)
- [Out of Scope Employees Terms and Conditions](#)

Related External Information:

N/A

Next Review Date:

March 2023

Revision History:

April 2014: new (replaces Standard Practice 7.27 Salary Administration Guidelines and Standard Practice 7.16 Market Supplement to Compensation)
 November 2014: update for change in procedure owner
 January 2015: revision to approval requirements



June 2015: update
September 2015: update document links
March 2016: revision to other salary adjustment conditions for
excluded, management and consultant employees
September 2016: minor revisions
October 2018: revisions to level of authority and formatting changes
September 2019: review and minor revisions
July 2021: minor revisions