

Chapter 7: Compensation

Key Terms You Need to Know for this Chapter

- **10-month Faculty** – Full-time faculty members on this placement are required to work fall and spring semesters, while summer is optional. If they work during the summer, they will receive additional compensation.
- **12-month Faculty** – Full-time faculty members and others on this placement are required to work 12 months of the year and are eligible for annual leaves.
- **Salary Scale** – Appendix A is the current master pay scale implemented in 2011 and will remain in effect until the Board of Regents approve a new salary scale.
- **Part-time Faculty Salary Scale** – Appendix B and Appendix C list the established compensation scales for part-time faculty. These scales are used to calculate compensation of part-time faculty whenever they teach.
- **Salary Increment**- Step increases granted to individual employees per year on their anniversary date and based on annual performance evaluation.
- **Salary Conversion** – This happens when a new salary scale is put in place causing salary placement of current personnel to be converted or carried onto the new salary scale.

Frequently Asked Questions	
✓ When do I receive a salary increment?	✓ You receive a salary increment when you have completed a full 12 months and when HRO has received your annual performance evaluation with satisfactory ratings that meet the criteria.
✓ What is my anniversary date?	✓ It is the month and day you begin in your position.
✓ When my annual evaluation is late, is my salary increment retroactive?	✓ Yes
✓ What is an overload?	✓ An overload refers to compensation of full time faculty members when they work beyond the established full load based on contact hours. When this happens, faculty members are issued a temporary contract to pay them for the overload during a specific semester.
✓ Who is a part-time faculty member?	✓ A faculty member who is not a regular, full-time teaching faculty and who is recruited to teach when needed and usually on a semester basis.
✓ When do I get paid for teaching part-time?	✓ When the president approved the contract and when the terms of payment on the contract indicate. Some opt to receive pay biweekly, two times a semester or at the end of the contract.
✓ How is my teaching experience determined?	✓ Teaching experience is referred to full-time college teaching experience. Teaching of four college courses is equivalent to one semester and two semesters are equated to one full year

Frequently Asked Questions

of college teaching experience. And, high school teaching experience of two full years is equated to one full year of college teaching.

Salary Schedules

There is just one master pay scale for all full-time employees: Appendix A. All positions established are placed on a grade on the pay scale. Each position has an established initial salary placement or advertisement range at the beginning of the scale. There are 20 steps on each grade from A to U.

Another salary scale is established for compensation of summer teaching and faculty overload; Appendix B and C.

Acting Compensation & Designation

When the manager of a unit office is off duty or when the position becomes vacant, the position may be filled temporarily by current full-time staff for a limited period of no more than one year. Appointed acting staff after serving in acting capacity for a period of 30 days including weekends and holidays will be required to be compensated for at least 10% above his/her own regular salary at the time of acting appointment.

Appointment to an Acting Position

A vacant manager position may be filled by an acting during the absence of the manager or when the position becomes vacant.

The supervisor for the vacant management position will appoint the second in command to the manager. That individual must also possess the established minimum qualification for the position to serve as acting. If the second in command is not available, then the third in command will be appointed. If there are no suitable staff available in the same office unit or department, another manager may be appointed from outside the office or department, a manager who is familiar with the services of the unit and possesses the minimum qualifications for the position.

The appointment will be made on a formal memorandum and addressed to all personnel and issued to relevant parties at the college and externally. An appointment to an acting position is limited to full-time regular employees.

Compensation for Acting Appointments

HR staff will prepare the personnel action for compensation when the acting manager has served in acting capacity for at least 30 days, using the acting appointment memorandum for documentation. Routing and distribution of the personnel action will follow established process for the same form. Compensation will be retroactive to the first day in acting capacity.

Faculty Overload/Summer Teaching

Full-time faculty members may be given additional courses to teach during fall and spring semester to meet needs resulting from student enrollment. When regular full-time faculty may be on vacation

or on leave, the college may recruit part-time faculty during the summer to teach to meet student enrollment needs. Compensation for this type of work is provided through the use of Appendix B and C for part time faculty. Compensation of full time regular faculty members are compensation using the formulas provided in Board Policy No. 6009 Section (6) (b) & (c).

b) *This plan is based on the current (adopted May 2013) referred to Appendix B and C.*

- 1) *For temporary faculty, the rate per contact hour is: for instructors with less than two years of relevant teaching experience (see Appendix B) and for instructors with two or more years of relevant teaching experience (see Appendix C). The rate is then multiplied by the number of contact hours taught*
- 2) *The amount is then divided by the number of pay periods for that term of employment and paid according to the normal bi-weekly schedule or, for State Campuses, divided into two equal payments to be paid at mid-term and after grades are submitted.*

The resulting rate is then multiplied by the number of contact hours taught

c). *For full time regular faculty, the calculation of compensation is based on the following formula:*

$\$21,743$ (Annual Salary) \div 20.5 (Pay Periods) = $\$1,060.60$ \div 80 (biweekly hours) = $\$13.26$ hourly rate

$\$13.26$ (hourly rate) \times 2 (1 teaching hour and preparation hour) = $\$26.52$ \times 16 (weeks) = $\$424.32$ (per contact hour) \times 1.2% (incentive) = $\$509.19$ per contact hour.

Procurement of Contract

Employees who have questions about these formulas should contact HRO or the campus HR representative. The compensation is determined when the contract is prepared for each term a full-time regular faculty is teaching over load during spring and fall semester and during the summer. Likewise, compensation is made for part-time faculty members who are not full-time regular faculty members, but are recruited to teach when a contract is prepared.

At the National Campus, a contract for overload and part-time teaching is prepared by the VPIA's office.

At the State Campus, a contract for overload and part-time teaching is prepared by the instructional coordinator.

Routing Process for Overload or Part-Time Teaching Contracts

The instructional coordinator from the campus will send through email or in hard copy the contract for the overload or part-time instructors for the campus directly to the VPIA as the first point of review and endorsement. Figure 7.1 provides an overview of the routing process.

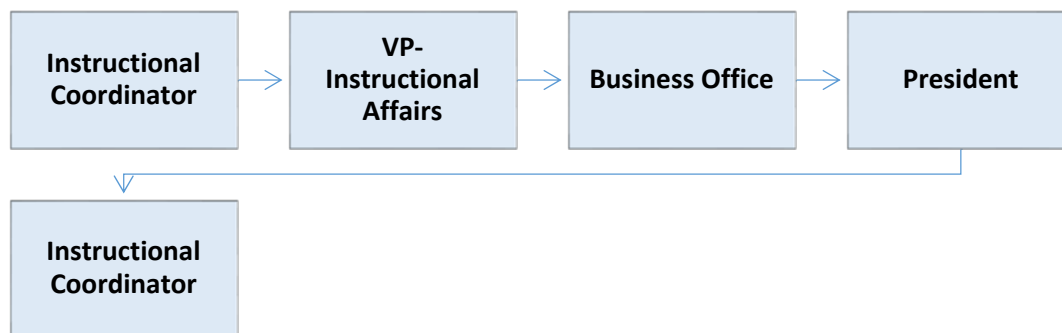


Figure 7.1. The Routing Process for Part-Time Teaching Contracts

The instructional coordinator transmits complete and accurate contracts with relevant required supporting documents and assures accreditation of schools attended by part-time instructors.

The vice president reviews to verify and assure correct work load, contact hours, certification of faculty to teach specific courses, satisfactory performance that support the contract, correct compensation level that match credentials, complete workload documents, and employability of part-time instructors. Documents for this level of review include:

- ✓ Contract Form
- ✓ Copy of FSM social security card (for initial contracts)
- ✓ Classroom Observation Form (for all part-time instructors who are not full-time faculty for each semester they teach)
- ✓ Work load report forms (for all regular full-time faculty for spring and fall they teach overload)
- ✓ Copy of transcripts (first time part-time instructors)
- ✓ Copy of passport (first time part-time instructors)
- ✓ Copy of employment permit (for individuals on permit)
- ✓ Authorized/release letter from employer of part-time instructors who are working with another employer at the time of the part-time contract with the college.

The **Business Office** reviews to verify funding availability to support the contracts.

The **president makes the final decision** after individual offices above have completed their part in the review process and confirm the contract to be valid and necessary.

The instructional coordinator, as the initiator of the contracts and supervisor of the faculty teaching, will be provided copies of all approved/disapproved contracts. The President's Office will forward the contracts to the office of the president of instructional affairs, and VPIA staff will email copies

within one to three working days from receipt date to the remote campuses (Chuuk, Yap, FMI, and Kosrae), while hard copies are provided (High Quality of Scanned copies are acceptable):

- ✓ Instructional coordinators at the Pohnpei and National Campus.
- ✓ Business Office for payroll
- ✓ Human Resources for personnel file.

The instructional coordinators will provide approved contracts to individual part-time faculty for signature and distribution while maintaining their own files on these appointments.

Overtime Compensation

The positions identified as classified positions are eligible for the overtime compensation as defined in Board Policy No 6009 *Compensation Policies and Practices*. The president must approve the work plan and request first, then actual work may commence. Supervisors who will need overtime from a support staff member in a classified position will complete the [Overtime Request Form](#). Retrieve this form from the website, Business Office staff, or President's Office staff. Supervisors must then forward the completed form to the relevant vice president for endorsement.

When the vice president endorses the Overtime Request Form, he/she will indicate the endorsement on the form in writing and with signature and forward the form to the president. When the form is also acted on by the president, it will be returned to the vice president who will then return it to the requesting supervisor.

When the vice president does not endorse Overtime Request Form, he/she will indicate in writing and with signature on the form and return it to the requesting supervisor. Details of instruction or requested information will be provided on the form for the supervisor to provide and understand.

Holiday Compensation

The college and campuses follow the approved list of holidays provided in Board Policy No. 6013 *Holidays*. When the campus is closed on those designated holidays, compensation for regular full-time employees will not be interrupted and no form is necessary. Payroll automatically calculates into the two-week pay period the hours for the designated holidays.

The president, in his/her capacity as the CEO, may extend holiday pay to part-time staff from time to time, especially around the Christmas holiday. Such an extension is provided in an internal memorandum to all personnel and it may also be posted on the college website. Payroll will use that memorandum to give hours to part-time staff who are covered under the memo and no additional form is needed by individual employee or supervisors.

Shift Differential Compensation

Shift differential compensation is available to only a few programs and units at the college due to the nature of the work they provide and classification of the job held by individual employee. Classified staff in the following units are currently eligible for night differential compensation.

- ✓ Learning Resources Center
- ✓ Dining Hall
- ✓ Residential Halls
- ✓ Sports and Recreation at the National Campus

Because of the nature of their work, these units are required to provide services outside of normal working hours between 8am to 5pm on Monday to Friday.

The individual employee from the units above are identified to payroll by the specific Night Differential Rate reference on their Personnel Actions. HRO staff are informed by the supervisor in writing (email or hard copy memorandum) when the position is filled and again later as relevant for the employees in their units whose schedules fall outside the normal working hours. The same supervisors will also inform HRO when changes with existing schedules occur, and individuals become ineligible for this compensation. HRO staff will make the changes on Personnel Actions, and the routing will follow the established process.

Annual Salary Increment

When the college provides for employee annual step increment, HRO staff implements the salary change based upon Personnel Actions (PAs) that are made effective to the anniversary date of each individual employee. Such PAs follow the established routing process.

HRO will receive from the administration a written advice on the level of annual step increment to apply each year and the effective date, if that date will be different from individual anniversary date.

Not All Employees are Eligible for Annual Step Increments

There are employees who are no longer eligible for step increments because they have reached the ceiling in their current positions and on their grades on the salary scale. You may locate this information on your personal action and from your supervisor.

Salary Changes Due to Completion of an Additional Degree

HRO will prepare a Personnel Action for faculty members and instructional coordinators who have completed an additional degree. The employee will provide to HR official hard copies of transcripts showing degree completion that exceeds the employee’s position degree requirement and for a field relevant to the area of assignment. The effective date for Personnel Action will be determined as follows.

Situation	Effective Date
<ul style="list-style-type: none"> • For transcripts provided to HRO after the employee was hired for his/her current position and when the college offered the employee his/her current position without 	The effective date of the Personnel Action to recognize the degree is the date the HR received the official transcripts.

Situation	Effective Date
the condition of transcripts requirement for that specific degree.	
<ul style="list-style-type: none"> For transcripts provided to HRO by a current employee who was approved by the college and/or maybe funded fully or partially by the college to enter a study program to meet job requirement with or without a professional development contract. 	The effective date of the Personnel Action to recognize the degree is the date of degree completion on the transcripts
<ul style="list-style-type: none"> For transcripts provided to HRO at the initial hire and that maybe overlooked or unclear, if employee provides compelling evidence of additional credits toward a degree higher than the degree employee was hired on and if the credits meet the required number of credits on the salary scale for additional changes. 	The effective date of the Personnel Action to recognize the credits will be date the employee brought complete compelling evidence supporting the salary change.

Other Salary Changes

There are other salary change that may be made at times when decision is handed down in these specific situations.

Promotion

There is a 10% salary increase applied to the base salary offered to a current full time regular employee who is approved to fill another full-time position that is on a higher salary grade or high caliber position than his/her current position. Whenever an employee is promoted, the employee will establish a new anniversary date for salary purposes based on the first day in paid service in the new position.

On the Personnel Action, the word “Promotion” will be checked and made bold to indicate the action applied.

Demotion

There are two instances when demotion will apply and HRO will prepare personal actions upon receipt of approved memorandum and supporting documents from the president. Personnel Actions in these cases will have the word “Demotion” checked and made bold to indicate the action applied.

- The appointment of a full time regular employee to a new position which has a low pay level range and grade for non-disciplinary reasons. The employee will maintain his/her salary at the time of the appointment until the next annual step increment in the new position. However, the appointment will not change the anniversary date for salary purposes. An example of this type of appointment is the demotion of a Maintenance Supervisor to Utility worker due to lack of skills and ability to perform at the level required in the position.

2. The appointment of an employee to a lesser position than their current position due to disciplinary reasons to a position determined by the president at his/her sole discretion.

High Tech Premiums

Occasionally, the college identifies critical skills, knowledge, and abilities in the information technology field that college lacks and needs. A high-tech premium at 25% may be considered when the college is unable to attract any qualified candidate due to the salary of the positions when compared to similar regional organizations normally compared to the college for salary purposes.

The supervisor of the vacant information technology field position will transmit to the relevant vice president the request to advertise the position with a 25% high tech premium to attract candidates with qualifications not currently available. The request must include the following:

- ✓ Completed personnel requisition;
- ✓ Comparable salary analysis of the position against at least *three* similar regional organizations normally compared to the college for salary purposes;
- ✓ Cover memorandum that explains the request, funding sources for the higher salary and the research taken to arrive at the recommendation.

If approving the request, the vice president will endorse and forward the packet to the president. If the president approves, the documents will return to the vice president to provide HRO the original copies of documents while the requesting supervisor is given a copy of the same documents.

If denying the request, the vice president will return it to the requesting supervisor with a rationale and/or instruction.

Occasionally, a current employee may qualify for a high-tech premium. **The supervisor with a filled information technology field position** will transmit to the relevant vice president the current position description of the individual in the position and justifications to the recommendation for a 25% high tech premium. The request will include these:

- ✓ Current position description for the employee with the current salary;
- ✓ Comparable salary analysis of the position against at least *three* similar regional organizations normally compared to the college for salary purposes;
- ✓ Cover memorandum that explains request, funding sources for the higher salary and the research taken to arrive at the recommendation.

If denying the request, the vice president will return it to the requesting supervisor with a rationale and/or instruction.