

Jackson State Community College

Compensation Study Report

2020 – 2021

Approved by TBR June 2020

Revisions approved by TBR September 2020

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Executive Overview

History

Jackson State's current pay plan was originally created in 2005. The plan has been revised several times since then, most recently on July 1, 2017. The classified and professional/technical pay ranges are indexed each year using data from the Consumer Price Index All Urban Consumers, U.S. City Average, December issue. The pay schedule for faculty has also been indexed to the CPI.

Review Committee

The College appointed a Compensation Committee to provide input to the work assigned to the external consultants and to provide feedback regarding the compensation study results. The Compensation Committee was comprised of:

- Chair, Tim Dellinger, VP of Financial & Administrative Affairs
- Glory Griffin, Secretary
- Dr. Ryan Guth, Assistant Professor
- Lisa Matlock, Associate Professor
- Jeanne Mayer, Accountant
- James Mayo, Associate Professor
- Colin Perry, Systems Analyst
- William Shull, Coordinator Academic Affairs
- Jeffrey Vickers, Maintenance Worker

Consulting Resources

The College engaged the consulting services of PerformancePoint (previously F&H Solutions Group). The two consultants assigned to the compensation study were Jennifer Blake, CCP and Joel Myers. Both are senior consultants with previous experience conducting similar compensation studies for colleges within the TBR system.

Compensation Philosophy

Jackson State does not have a written compensation philosophy per se. The written Compensation Policies & Procedures for different job groups, however, have been imbedded within the basic philosophy that drives pay.

Faculty Compensation Plan Mission:

The JSCC Faculty Compensation Plan was developed to secure and maintain three essential conditions for faculty compensation at Jackson State Community College: (1) equitable pay across the disciplines according to rank, experience, and degree; (2) adequate pay compared to other TBR community college salaries for faculty and to regional salary trends; and (3) appropriate annual pay increases relative to national economic indicators.

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Professional & Technical and Classified Employees

The College maintains Compensation Policies & Procedures that communicate the College's viewpoint about pay for both job groups. Following are excerpts that define the College's philosophy about pay.

A fully qualified and effective workforce is essential to the continued success of Jackson State Community College. In order to achieve institutional goals, it is necessary to attract, retain, motivate and develop qualified and dedicated employees and to provide them the necessary training and opportunity to develop and progress within their careers.

To be able to attract and retain the services of such a workforce, it is necessary to compensate employees at a competitive level with the relevant labor market and reflective of differences in job responsibilities regardless of race, religion, color, gender, age, disability, military service, national origin or non-job related factors.

The main objective of the college's Compensation Equity Plan is to provide a methodical and unbiased way of determining internal equity, while simultaneously instituting a system to recruit the best and the brightest employees. Perhaps an even more important factor is that through a fair and balanced evaluation system, retention efforts will be enhanced.

The intent of the college is to establish a pay policy throughout the organization that:

1. Maintains pay levels consistent with those of similar agencies, other Tennessee community colleges, government agencies, non-profit and not-for-profit organizations, and business and industry, taking into consideration relevant labor markets and economic conditions.
2. Provides and maintains a pay structure with pay ranges which provide opportunities for growth; and
3. Provides equitable pay relationships among its employees.

Overview of Findings & Economic Impact

Table 1 is a summary of findings and potential economic impact to bring all employees to market, including regular faculty members (no adjuncts). The Exempt category includes administrative and professional jobs. The Nonexempt category includes classified jobs.

Table 1

Category	# of Ees	Total Current Salaries	Total Target Salaries	% Change	Below Minimum		Below Target		Total Increase
					Total Amount	# of Ees Affected	Total Amount	# of Ees Affected	
Exempt	88	\$4,965,885	\$5,324,095	7.21%	\$79,621	12	\$278,589	43	\$358,210
Nonexempt	70	\$2,125,993	\$2,170,627	2.10%	\$10,647	4	\$33,987	10	\$44,634
Executive	4	\$426,773	\$440,155	3.14%	\$0	0	\$14,364	3	\$14,364
Faculty	86	\$4,972,950	\$5,306,179	6.70%	\$6,310	4	\$326,920	77	\$333,230
	248	\$12,491,602	\$13,241,056	4.79%	\$96,577	20	\$653,860	133	\$750,437

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Substantive Changes

Job Titling Protocol

Jackson State has a flat organization structure compared to many organizations. As a result, some job titles are used as a catch-all for a variety of jobs that have different responsibilities and are assigned to different pay grades. We are recommending re-defining the following jobs, in some cases by creating different levels: Clerk, Coordinator, Secretarial titles, and Technician.

Calculating Employee Pay

Presently, newly hired non-faculty employees are paid at the minimum of the pay range, which creates hiring difficulties, sometimes to the extreme. Pay for a newly hired faculty member is based on the individual's years of teaching experience except that no faculty member may be hired at a salary higher than any current faculty member.

This report includes recommendations for establishing clear guidelines regarding hiring within the new pay ranges and managing pay changes as a result of promotions, demotions, job changes, etc.

Grade Restructuring

Non-Faculty

The non-faculty pay structures are designed with a consistent 50% range spread, but the differences between grades varies and, in most instances, the difference is so small that it does not create a noticeable difference between pay grades. For example, the midpoint differentials in the professional/administrative grades range from 4% to 7%. Among the classified job ranges, the midpoint differentials are anywhere from 4% to 11%. We will propose new pay structures, which are based on the middle of the market, utilizing compensation design best practices.

Faculty

The existing faculty plan includes pay ranges based on rank, discipline (i.e., nursing receives a 20% differential), and degree. A flat dollar amount is added to the year-one base pay and every year thereafter up to 15 years. Since the entire pay structure has been indexed each year, the incremental increases between years of experience have grown beyond what is defined in the plan. For example, the plan states that \$500 will be added to each pay rate based on years of experience. Today the actual difference between the pay points associated with each year of experience is \$649. We will propose a new faculty pay structure that addresses rank, discipline, and degree and is designed to facilitate salary movement from instructor to professor, toward the market point of each rank.

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Details by Employee Group

Faculty

Market Sources & Scope

- ***CUPA-HR, 2019 Faculty Report***

This survey presents median faculty pay information by rank and discipline. Tables are provided according to institutional degree category and by total expense level as reported in IPEDS submissions. The information was collected from 131 community colleges, 129 of which were public institutions. Information by rank from all disciplines, both tenure and non-tenure track was used. Survey report tables were grouped by affiliation (Associates Degree institutions). Within each table, data were reported by expense level. Based on overall survey results, it was reported that the average salary increase for faculty was 1.73% over a three-year period, 2017, 2018 and 2019. Therefore, faculty data from all sources were aged at 1.7% from the survey date and July 1, 2020.

- ***SREB***

Figures came from Table 141, 9-Month Equivalent Average Full-Time Faculty Salaries, Public Institutions, SREB States, 2017-18, for Two-Year 3 colleges, salaries by rank.

- ***AAUP***

ACADEME (March-April 2018), East Southcentral region, average salaries by rank.

- ***The College System of Tennessee (TBR)***

Sister, two-year institutions, median by rank.

- ***Area Secondary Education Teachers' Salaries***

Pay schedules for secondary education teachers in Madison, Henderson and Chester Counties were studied to assess the competitive starting rate for masters-level Instructor-level faculty.

Market data from all sources is available by rank. In addition, CUPA-HR provides data by discipline. The consultants found no reliable source that addresses pay differences by degree.

Jackson State's current faculty salary structure does not identify a point of market comparability by rank. Later in this report, we propose a process for establishing ranges by rank and moving salaries from entry to market rate based on years of teaching experience. In order to offer comparisons between current structure and market, we applied the proposed experience-to-market structure to the current faculty pay scales.

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Average Pay and Structure Versus Market Median

Table 2 shows the years of higher education teaching experience (YOE) in each rank that will relate to target pay level.

Table 2 - Target Years of Experience to Market

Rank	Tgt YOE
Instructor	6
Assistant Professor	9
Associate Professor	13
Professor	17

In community colleges, about 65% of faculty hold a master's degree. In TBR schools, the most populated rank is associate professor. Therefore, in building the faculty pay structure, market points for Instructor, assistant professor and associate professor are set at the master's level. We assume that professor rank is reserved for those holding a doctorate degree or terminal degree.

Table 3 shows the comparison between current nine-month equivalent salaries and current market by rank. Current Market Point (MP) by Rank was determined by applying Table 1 targeted years of experience to reach target pay to the corresponding steps in the salary structure. For professor, the source data for experience credit stops at 15 years. This points out that the structure is not aligned with either market or current pay practice.

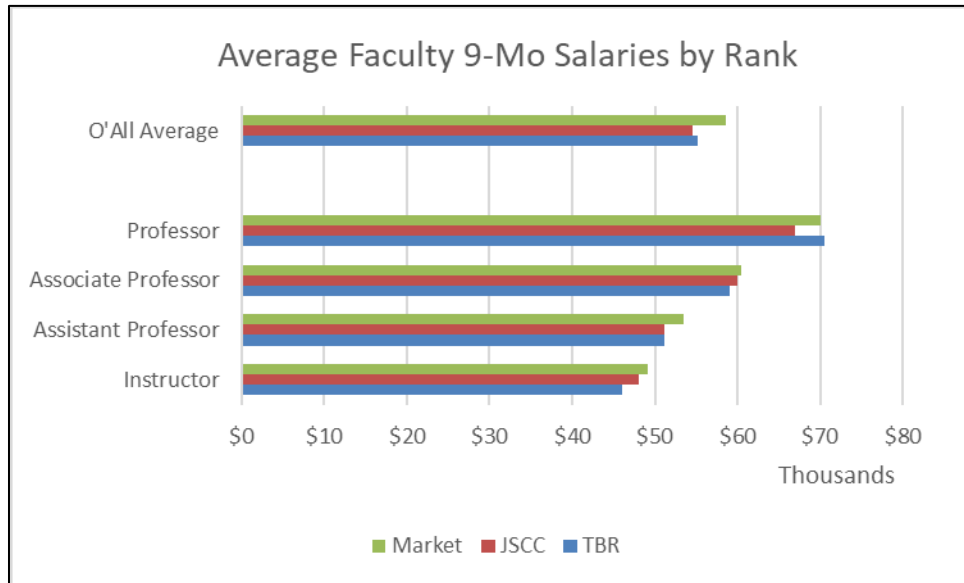
Table 3 - Comparison Between Current Pay & Structure with Market

Rank	Count	Current MktPnt by Rank 9 mo	Step in Current Structure	Market by Rank 9 mo	Current Avg Pay by Rank 9 mo
Instructor	6	\$46,726	6	\$49,200	\$48,061
Assistant Professor	24	\$51,268	9	\$53,400	\$50,610
Associate Professor	49	\$61,523	13	\$60,500	\$59,010
Professor	7	\$75,281	15*	\$69,900	\$66,907
Sum/Wtd Average	86	\$58,749		\$58,495	\$56,545
* The current structure stops at step 15.					

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Jackson State currently pays by rank and degree. The principal source of market information has been TBR sister institutions. Figure 1 shows comparison of Jackson State's actual median 9-month salaries versus all other TBR colleges. The source is the online database providing actual pay for all TBR employees. This shows that JSCC faculty pay is behind the market at every rank and overall, slightly behind TBR overall, but on par or slightly ahead in instructor through associate professor ranks, and behind TBR at the professor rank.

Figure 1 - Average Salaries by Rank



Current and Proposed Grade Structures

The college has one discipline where a premium is applied, Nursing, where the amount of the premium is 20% above the structure by rank and degree.

Differences in degree are recognized through range differentials. No quantitative market data are available to provide guidance when determining pay differences based on degree. Current practice is a 4% difference between master's and bachelors (or lower), a 2% difference between master's and masters +45, and a 6% difference between master's and doctorate. Going forward, we propose a 5% difference between bachelors (or lower) and masters, 5% between masters and masters +45 and EDS, and 10% between masters and doctorate.

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Table 4 shows the proposed faculty salary structure for 2020. The key points in the architecture are:

- The structure addresses rank and degree.
- The structure is anchored at by rank to master's level for instructor, assistant professor, and associate professor and doctorate level for professor.
- Degree differences are: 1) master's to bachelors (or less) - -5%, 2) master's to master's +45 or EDS - +5%, 3) master's to doctorate - +10%.
- Range spread equals 40%
- Pay progresses from entry to market point based on total credited higher education teaching experience relative to the Years-to-Market Point by rank.

Table 4 - 2020 Faculty Range Structure

2020 Faculty Salary Structure				
Instructor	Minimum	Midpoint	Maximum	Yrs to MP
BS	39,250	47,100	54,950	6
D	45,470	54,560	63,650	6
M+45	43,400	52,080	60,760	6
M	41,000	49,200	57,400	6
Asst Prof				
BS	42,500	51,000	59,500	9
D	49,230	59,070	68,920	9
M+45	46,990	56,385	65,780	9
M	44,500	53,400	62,300	9
Assoc Prof				
BS	47,820	57,380	66,940	13
D	55,370	66,440	77,510	13
M+45	52,850	63,420	73,990	13
M	50,420	60,500	70,580	13
Professor				
BS				
D	58,250	69,900	81,550	17
M	52,950	63,545	74,140	17
M+45				

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Rationale for Establishing Target Pay

Table 5 illustrates the calculations to determine target pay for a current faculty member and the starting salary for a new hire. The aim is to get everyone to the target pay level for their situation within a reasonable period. Being able to fulfill that objective depends on having the funds to adjust salaries. It may be necessary to phase in changes over several years.

Table 5 - Calculating Starting or Target Pay for Faculty

Target Gap Calculation for Faculty			
Row #	Factor	Data	
1	Rank	Associate Professor	
2	Degree	Masters	
3	Discipline	Humanities	
4	DiscFactor	1.0	Nursing = 1.2, all Other = 1.0
5	Eclass	F9	
6	Current Salary	\$54,000	
7	Minimum	\$50,400	
8	Midpoint	\$60,500	
9	Maximum	\$70,600	
10	Years to Target	13	
11	Years of JSCC Teaching Experience	6	Credit 1:1
12	Years of Prior Higher Education Teaching Experience	3	Credit 1:1
13	Years of Related Experience	0	Credit 2:1
14	Total years of considered experience	9	Sum of Rows 11, 12 and 13
15	Targeted position-in-range	34.6%	ROW 14/ROW 10 (MAX 50%)
16	Targeted Salary	\$57,390	
17	Gap to Target	\$3,390	
18	Discipline Factor	1.0	
19	Eclass Factor	1.0	If F9 - 1.0, if F9(10) - 1.083, if FA - 1.25
20	Adjusted Gap to Target	\$3,390	Row 17*Row 18*Row 19

Economic Impact

Table 6 - Economic Impact of Change

Rank	# of Employees	Average Current Salary	2020 MP Incl Rnk, Drg Term, Disc	Trgt/Act Sal Incl Rank, Degree, Term, Disc	Total Gap Incl Rank, Degree, Term & Disc	Average Gap
Instructor	6	\$48,060	\$51,930	\$52,380	\$25,930	\$4,322
Assistant Professor	24	\$51,120	\$56,180	\$54,090	\$71,221	\$2,968
Associate Professor	49	\$61,010	\$66,100	\$65,540	\$222,063	\$4,532
Professor	7	\$66,910	\$70,810	\$68,910	\$14,010	\$2,001
	86	\$57,830	\$61,160	\$60,000	\$333,224	\$3,875

Table 6 shows the economic impact of introducing the proposed range structure and pay adjustments. Of the total Gap amount, over \$105,000, 32.2%, is attributable to Nursing. Nursing has about 25% of the total number of associate professors and nearly half of the total Gap attributable to that rank. The

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average target pay for Nursing associate professors is \$76,400 versus \$61,900 for associate professors in other disciplines.

Starting Pay & Promotions

Table 4 shows the process/calculations for setting starting pay.

Rank promotions

Generally, if a faculty member promotes to a higher pay grade, they will be eligible to receive a 5% promotional increase. However, if a 5% increase does not place the faculty member at or above the minimum of the new pay range, then the faculty member will be placed at the new range minimum. ~~Faculty members will receive a 5% salary increase upon being promoted in rank.~~

Stipends & Other Supplements

The College uses stipends when an employee is assigned on a temporary or interim basis to perform a portion of the duties of a different position. The assignment must be longer than six weeks and, generally, no more than 12 months. No change in our current policy is recommended.

Support Jobs

Market Sources and Scope

We decided to conduct an abbreviated compensation study in January 2020. Knowing we needed to submit our report to TBR by the end of March, we requested that the consultants at PerformancePoint conduct only portions of the work described in their original proposal from October 2019. We agreed to a partial market study, utilizing market data already researched and collected by PerformancePoint for other TBR colleges and applying geographic differentials, as needed. The consultants were able to match 22 Support jobs at Jackson with recently collected market data.

The specific data sources used by PerformancePoint included:

- CompAnalyst – paid subscription
- Economic Research Institute (ERI) – paid subscription
- CUPA-HR Staff in Higher Education Annual Report 2018-19 Academic Year
- Data from other TBR colleges
- O*Net OnLine – public domain maintained by the U.S. Department of Labor

The scope of data included:

- Industry Groups: Community colleges, higher education, TBR, all industries
- Geography: The data collected by PerformancePoint was for the Memphis market; they applied a geographic differential of -7% for the Jackson labor market.
- Size of Organization: Either by number of FTEs or years of experience

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Average Pay Compared to Market

Due to our abbreviated timeline and the previously mentioned condition of our current pay grades, the consultants did not conduct an analysis of the current ranges to the market. Their analysis was based on current Jackson State pay versus the market median for the benchmark jobs. The results of this analysis show that average salaries of employees in support jobs are about 3% above the middle of the market as seen in Table 7.

Table 7 – Benchmark Jobs - Support Employees' Pay vs. Market

Average Salaries	Weighted Average Market Median	Avg. Salaries as % of Market
\$30,497	\$30,313	103%

When comparing *all* Support employee salaries to the market on a weighted basis, Jackson State's salaries are closer to 5% above market.

Proposed Pay Grades

The minimum market median for this job group is \$22,303, which serves as the basis for our beginning pay grade midpoint. The pay ranges in Table 8 have a consistent midpoint differential of 10% and the spread of each pay range, from the minimum to the maximum, is 40%. The names of the pay grades have been changed to a numeric format from our current structure, which uses alpha-numeric grade names.

Table 8

NONEXEMPT Classified Jobs			
Grade	Minimum	Midpoint	Maximum
100	\$18,583	\$22,300	\$26,017
101	\$20,442	\$24,530	\$28,618
102	\$22,486	\$26,983	\$31,480
103	\$24,734	\$29,681	\$34,628
104	\$27,208	\$32,649	\$38,091
105	\$29,929	\$35,914	\$41,900
106	\$32,922	\$39,506	\$46,090
107	\$36,214	\$43,456	\$50,699
108	\$39,835	\$47,802	\$55,769

The benchmark jobs were slotted into the new pay structure based on the midpoint that most closely matched each job's market median. The remaining jobs were slotted based on their likeness to benchmark jobs in terms of types of duties, qualifications, and/or how the jobs are currently grouped.

Rationale for Establishing Target Pay

In order to implement the new pay structure, we established a two-step process for determining where each employee should be paid in their job's pay range. Our goal is to ensure employee pay is at or moving toward the market median (or midpoint). To achieve our goal, we first assessed the cost of bringing each employee's pay to the minimum of the pay range. Next, we calculated employees' time in current position

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as of 7/1/20. Then we applied the matrix shown in Table 9 to determine each employee's pay rate as a percent of the midpoint. The matrix is designed to ensure those with five years or more in position will reach the midpoint. Any employee's pay that is currently above midpoint we deemed as appropriate and did not consider any adjustments.

Table 9 – Classified Pay Progression to Midpoint (Market)

Years of Related Work Experience	% to Midpoint
0	1%
1	21%
2	41%
3	61%
4	80%
5	100%

The calculation used to apply the matrix is as follows:

$$((\text{Midpoint} - \text{Minimum}) * (\% \text{ to Midpoint})) + (\text{Minimum})$$

Example

- Employee has completed two full years in current position: % to midpoint = 41%
- Employee's job is in proposed grade 103: Minimum=\$24,734 Midpoint=\$29,681
- Calculation: $((\$29,681 - \$24,734) * (41\%)) + (\$24,734) = \$26,762 = \text{Target pay}$

Economic Impact

Table 10 shows the impact of implementing the proposed pay ranges on classified employee salaries.

Table 10 – Estimated Cost to Implement Proposed Classified Pay Ranges

# of Employees	Average Salary	Avg. Midpoint	Avg. Yrs. in Job	*BTM Cost	Percent-to-Midpoint Cost	Total Cost
70	\$30,371	\$29,429	11	\$10,647	\$33,987	\$44,634

*BTM is bring-to-minimum cost

Four employees in support jobs are eligible for a bring-to-minimum increase and ten are eligible for a percent-to-midpoint adjustment.

Process for Setting Pay Rates

We plan to use the pay matrix shown in Table 9 to determine starting rates when hiring new classified employees. Based on their previous relevant experience, we will use the matrix to determine the appropriate percent to midpoint and calculate the pay rate in the same manner described under Rationale for Establishing Target Pay. When hiring into grade 100, we will not hire below the living wage for Madison County, which as of the date of this report is \$21,133 for one adult.

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Pay for Promotions or Reclassifications

Generally, if an employee is promoted to a job in a higher pay grade, he/she will be eligible to receive a 5% promotional increase. However, if a 5% increase does not place the employee at or above the minimum of the *new* pay range, then the employee will be placed at the new range minimum. If the incumbent's pay is already above the minimum of the new range, he/she may receive a promotional increase that is at least 5% and no more than half of the percentage spread between the midpoint of the previous pay range and the midpoint of the new range.

When a job is reclassified into a different pay grade, the salaries of the employees in that job will be reviewed. If the pay grade is decreased, no employee will receive a reduction in salary. If the pay grade is increased, employees will maintain their same percent-to-midpoint in the new pay range.

Administrative & Professional Jobs

Market Sources and Scope

As explained relative to the Classified jobs, the consultants conducted an abbreviated market study for the administrative and professional jobs. The consultants were able to match 30 jobs at Jackson with previously collected market data.

The specific data sources used by PerformancePoint included:

- CompAnalyst – paid subscription
- Economic Research Institute (ERI) – paid subscription
- CUPA-HR Staff in Higher Education Annual Report 2018-19 Academic Year
- Data from other TBR colleges
- O*Net OnLine – public domain maintained by the U.S. Department of Labor

The scope of data included:

- Industry Groups: Community colleges, higher education, TBR, all industries
- Geography: The market for all jobs in this category was regional
- Size of Organization: Either by number of FTEs or years of experience

Average Pay Compared to Market

The consultants' analysis of pay for benchmark jobs included a comparison of average salaries to the average market medians. The results, on average, of the analysis indicate that Jackson State's salaries are about 10% below the average market median.

Table 11 – Benchmark Jobs - Administrative Salaries Compared to Market

Average Salaries	Weighted. Average Market Median	Avg. Salaries as % of Market
\$57,750	\$64,445	90%

When comparing *all* Administrative employees' salaries to the market median on a weighted basis, Jackson State salaries are a bit more favorable to the market, about 7% below market median.

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Proposed Pay Grades

The minimum market median for this job group is \$42,177 which serves as the basis for our beginning pay grade. The pay ranges in Table 12 have a consistent midpoint differential of 15% and the spread of each pay range, from the minimum to the maximum, is 50%. The names of the pay grades have been changed to a numeric format from our current structure, which uses alpha-numeric grade names.

Table 12

EXEMPT Administrative/Professional			
Grade	Minimum	Midpoint	Maximum
200	\$33,600	\$42,000	\$50,400
201	\$38,640	\$48,300	\$57,960
202	\$44,436	\$55,545	\$66,654
203	\$51,101	\$63,877	\$76,652
204	\$58,767	\$73,458	\$88,150
205	\$67,582	\$84,477	\$101,372
206	\$77,719	\$97,149	\$116,578
207	\$89,377	\$111,721	\$134,065
208	\$102,783	\$128,479	\$154,175
209	\$118,201	\$147,751	\$177,301

The benchmark jobs were slotted into the new pay structure based on the midpoint that most closely matched each job's market median. The remaining jobs were slotted based on their likeness to benchmark jobs in terms of types of duties, qualifications, and/or how the jobs are currently grouped.

Rationale for Establishing Target Pay

The rationale we used for determining each employee's target pay is similar to that used for the Classified job group. Keeping the same goal in mind, to ensure employee pay is at or moving toward the market median (or midpoint), we first calculated the cost to bring all employees to the minimum of the proposed pay ranges.

Next, we calculated employees' time in current position as of 7/1/20. Then we applied the matrix shown in Table 13 to determine each employee's pay rate as a percent of the midpoint. The matrix is designed to ensure those with 8 years or more in position will reach the midpoint. Any employee's pay that is currently above midpoint we deemed as appropriate and did not consider any adjustments.

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Table 13 – Administrative & Professional Pay Progression to Midpoint (Market)

Years of Related Work Experience	% to Midpoint
0	1%
1	14%
2	26%
3	39%
4	51%
5	64%
6	76%
7	87%
8	100%

The calculation used to apply the matrix is as follows:

$$((\text{Midpoint} - \text{Minimum}) * (\% \text{ to Midpoint})) + (\text{Minimum})$$

For an example of the calculated target pay, please see page 10 for the example under the Classified pay group.

Economic Impact

Table 14 - Estimated Cost to Implement Proposed Administrative Pay Ranges

# of Employees	Average Salary	Avg. Midpoint	Avg. Yrs. in Job	*BTM Cost	Percent-to-Midpoint Cost	Total Cost
88	\$56,431	\$60,692	12.9	\$79,621	\$278,589	\$358,210

*BTM is bring-to-minimum cost

The number of administrative/professional employees eligible for a bring-to-minimum increase is 16 and 43 employees are eligible for a percent-to-midpoint adjustment.

Process for Setting Pay Rates

We plan to use the pay matrix shown in Table 13 to determine starting rates when hiring new administrative employees. Based on their previous relevant experience, we will use the matrix to determine the appropriate percent to midpoint and calculate the pay rate in the same manner described under Rationale for Establishing Target Pay.

Pay for Promotions or Reclassifications

Generally, if an employee is promoted to a job in a higher pay grade, he/she will be eligible to receive a 5% promotional increase. However, if a 5% increase does not place the employee at or above the minimum of the *new* pay range, then the employee will be placed at the new range minimum. If the incumbent's pay is already above the minimum of the new range, he/she may receive a promotional increase that is at least 5% and no more than half of the percentage spread between the midpoint of the previous pay range and the midpoint of the new range.

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When a job is reclassified into a different pay grade, the salaries of the employees in that job will be reviewed. If the pay grade is decreased, no employee will receive a reduction in salary. If the pay grade is increased, employees will maintain their same percent-to-midpoint in the new pay range.

Executive Jobs

Market Sources and Scope

The specific data sources used by PerformancePoint included:

- CompAnalyst – paid subscription
- Economic Research Institute (ERI) – paid subscription
- CUPA-HR Staff in Higher Education Annual Report 2018-19 Academic Year
- Data from other TBR colleges
- SREB – Figures came from Table 141, 9-Month Equivalent Average Full-Time Faculty Salaries, Public Institutions, SREB States, 2017-18, for Two-Year Colleges

The scope of data included:

- Industry Groups: Community colleges, higher education, TBR, all industries
- Geography: The market for all jobs in this category was regional
- Size of Organization: Either by number of FTEs or revenue

Average Pay Compared to Market

The consultants were able to secure market data for all four executive-level positions. On average, the current salaries are about 11% below market.

Table 15 – Executive Salaries Compared to Market

Average Salaries	Weighted. Average Market Median	Avg. Salaries as % of Market
\$106,693	\$119,674	89%

Proposed Pay Grades

The exempt ranges proposed by the consultant are designed to incorporate the executive-level jobs. When slotting the administrative/professional jobs, the highest grade to which a job was assigned was grade 206. Grades 207 – 209 are reserved for executive jobs.

Table 16 – Recommended Pay Grades for Executives

EXECUTIVE GRADES			
Grade	Minimum	Midpoint	Maximum
207	\$85,491	\$106,863	\$128,236
208	\$94,040	\$117,550	\$141,060
209	\$103,444	\$129,305	\$155,166

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The executive jobs were slotted into the pay grade whose midpoint was closest to the market median for each job.

Table 17 – Proposed Grades for Executive Jobs

Job Title	Market Median	Proposed Grade	Proposed Midpoint
VP Institutional Effectiveness & Advancement	n/a	207	\$106,863
VP Student Services	\$109,873	208	\$117,550
VP Financial & Admin. Affairs	\$126,239	209	\$129,305
VP of Academic Affairs	\$133,379	209	\$129,305

Rationale for Establishing Target Pay

The rationale we used for determining each employee’s target pay is similar to that used for the other non-faculty job groups. Keeping the same goal in mind, to ensure employee pay is at or moving toward the market median (or midpoint), we utilized a matrix for determining each person’s target pay based on their time in position. The matrix in Table 18 is based on ten years of related experience to reach the market rate (midpoint).

Table 18 – Executive Pay Progression to Midpoint (Market)

Years of Related Work Experience	Executive
0	1%
1	10%
2	20%
3	30%
4	40%
5	50%
6	60%
7	70%
8	80%
9	90%
10	100%

Economic Impact

Table 19 – Economic Impact to Implement Proposed Executive Pay Ranges

# of Employees	Average Salary	Avg. Midpoint	Avg. Yrs. in Job	*BTM Cost	Percent-to-Midpoint Cost	Total Cost
4	\$106,693	\$120,756	6.8	\$0	\$13,382	\$13,382

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All executive-level employees' pay is above the minimum of the new ranges, and three employees are eligible for a percent-to-midpoint increase.

Process for Setting Pay Rates

We plan to use the pay matrix shown in Table 19 to determine starting rates when hiring a new executive-level employee. Based on a candidate's previous relevant experience, we will use the matrix to determine the appropriate percent to midpoint and calculate the pay rate in the same manner described under Rationale for Establishing Target Pay.

Pay for Promotions or Reclassifications

Generally, if an employee is promoted to a job in a higher pay grade, he/she will be eligible to receive a 5% promotional increase. In the case of an individual who has already achieved executive-level status and is eligible for promotion, all increases would be handled on a case-by-case instance.

Job Titling Changes

Within the Support job group four job titles are used to describe a variety of jobs in different pay grades. Some positions are categorized as exempt and some as nonexempt. The consultants have recommended a couple of objectives in clarifying these titles: (1) Exempt jobs and nonexempt jobs should not be in the same job title and, (2) Each job should have a unique pay grade. With these objectives in mind, the consultants have recommended the following job title definitions:

Clerk

Presently employees in the job title "Clerk" have quite different roles assigned to five different pay grades. The consultants have recommended a job ladder for these roles:

- Clerk 1 – grade 101
- Clerk 2 – grade 102
- Clerk 3 – grade 103
- Clerk 4 – grade 104
- Clerk 5 – grade 105

Coordinators

In this job group, two employees are in nonexempt roles in two different grades. They should be converted to Clerk 1 and Clerk 3.

Furthermore, several employees in this title are assigned to different pay grades. The consultants have recommended a career ladder for this role:

- Coordinator 1 – grade 200
- Coordinator 2 – grade 201
- Coordinator 3 – grade 202
- Coordinator 4 – grade 203

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Technician

One individual with this title is in an exempt role in Institutional Research. This position should retain the title of Technician. One individual with this title is really in a clerical role in Print & Mail Shop. This job should be converted to Clerk 2 in grade 102. Finally, the title Technician is used in IT, and the title should be modified to "IT Technician".

Secretarial

The secretarial jobs are already defined in a way that represents different levels: Secretary 1, 2, 3 and Executive Secretary. The consultants have recommended the group of individuals assigned to the title "Secretary" be folded into the most appropriate levels, and each level be assigned to one pay grade:

- Secretary 1 – grade 101
- Secretary 2 – grade 102
- Secretary 3 – grade 103
- Executive Secretary – grade 107

Implementation of these recommendations requires re-writing existing job descriptions and identifying specific criteria that defines each level within each job family. For example, what are the essential functions and qualifications that differentiate between a Clerk 1 and Clerk 2?

Implementation Plan

The Executive Overview of this report includes Table 1, which displays a total estimated cost of implementing all recommendations. These costs are categorized as below minimum (or "bring-to-minimum") and below target (or "percent-to-midpoint") increases.

Bring-to-Minimum Increases

In terms of priorities, every effort should be made to apply the bring-to-minimum increases to employees and to begin utilizing the new pay ranges for recruitment efforts as of 7/1/20. This affects a total of 24 employees for an estimated total annualized increase in salaries of \$96,577.

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Percent-to-Target Increases

The next priority is to implement increases to help employees achieve the percent in range that is commensurate with their years of experience on the job. The estimated costs are as follows:

Table 20 – Total Estimated Percent-to-Increase Costs

<i>Job Group</i>	<i>Total Amount</i>	<i># of Employees Affected</i>
Exempt	\$278,589	43
Nonexempt	\$33,987	10
Executive	\$14,364	3
Faculty	\$326,920	77
Totals	\$653,860	133

If funds are not immediately available to address the gap between current salaries and the targeted salaries, different approaches may be applied, either singularly or in combination:

- A maximum may be applied to gap increases. Employees will not receive an increase greater than 10% unless that limit fails to bring them to the minimum of the salary range.
- A budgeted amount may be designated. Employees will receive a proportional share by applying a ratio of the budgeted amount in relation to the total gap amount.
- An overall percentage of target may be applied. That is, employees whose pay is furthest from the target will receive an amount that is enough to reach the institutional target level. For example, the College can afford to fund up to 85% of the total gap amount in the salary plan. Therefore, employees will receive 85% of their individual gap amount.
- The number of years of experience required to reach target can be increased. This will favor the most experienced employees whose total experience significantly exceeds the proposed target.

In each case where an employee is eligible for an increase, the employee's performance will be considered. An employee who is not performing at an acceptable level, will not receive an increase in pay.

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Maintaining the Compensation Plan

Indexing the Plan

To keep the new compensation plan current, JSCC will benchmark against the *general salary market* each year, not the Consumer Price Index. Rather than conducting a comprehensive market study of many benchmark jobs, the College will identify a reliable indicator of salary growth. The consultants recommend utilizing two sources:

- Reported three-year average increases for representative employee groups reported in CUPA-HR Faculty, Staff, Professional and Administrators surveys.
- Reported salary increases from WorldatWork's annual compensation salary movement survey.

When using the above-named sources, the College will reduce the average increase to salary budget by 1%, and then apply the result to its pay ranges. In so doing, the pay structures will likely be increased at a lesser rate than employee salaries, enabling employees' positions in range to advance over time.

After three years or so, JSCC plans to conduct another market analysis utilizing the same benchmark jobs, if possible. The scale of the market study would be less than that of this study because the compensation plan was so recently developed.

In communicating the plan, it is advisable to focus the discussion on the range minimum and target point. The aim is to achieve overall average pay that is comparable to the market median for similar positions. In this plan, there is no provision for moving pay above target. After target is reached, if state-directed pay increases exceed market-based salary range adjustments, individual pay may exceed target.

Salary Offers – Non-Faculty

The College will implement a consistent method of calculating new employee salaries that involves three specific steps. These will be completed jointly by the hiring manager and an HR representative.

1. Calculate the employee's target position-to-market based on the candidate's previous work experience. A year in the same role at a higher education institution, including TCATs, is equal to one year of credit at Jackson State. A year in the same role at any other type of institution is equal to one-half-year of credit at Jackson State.
2. Compare the candidate's calculated salary to the pay of existing employees in the same role. Determine whether the new hire salary will create compression or upset internal equity, and make necessary tweaks to the salary offer, if needed.
3. If a candidate has shared his/her current salary or stated specific expectations, compare this to the salary offer. Make necessary tweaks, if needed.

Once a salary offer has been determined, the offer must be reviewed by the Vice President of Finance & Administration to identify any budget implications. Finally, the contract or offer letter must be approved and signed by the President.

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When necessary, in order to meet market demands and/or attract the best qualified candidates, exceptions may be made regarding required years of qualifying experience and/or proposed starting salary calculations. Such exceptions require Human Resources review and College President approval.

Starting pay for faculty members will be determine utilizing the worksheet in Table 5 of this report.

Job Descriptions

This compensation study did not include conducting job analyses or updating the College's job descriptions. However, this is a need to be addressed in the near future. In the meantime, a good time to review a job description is when a position becomes vacant. When a job experiences significant change, it will be re-evaluated using the Job Evaluation Plan to determine whether the pay grade should be different.

Prepared by

Joel Myers Senior Consultant
PerformancePoint, LLC
3185 Players Club Parkway
Memphis, TN 38125

901-291-1576

jmyers@performancepointllc.com

Jennifer Blake, CCP, Sr. Consultant
PerformancePoint, LLC
3185 Players Club Parkway
Memphis, TN 38125

901-291-1577

jblake@performancepointllc.com