

<b><i>SALARY ADMINISTRATION FOR NON-REPRESENTED EMPLOYEES ON BROAD RANGE</i></b>	<b>POLICY</b>	
	<b>Document Number:</b>	AS-HR-PL-3920
	<b>Version Number:</b>	04

**1.0 Purpose:**

The purpose of VTA's broad range pay plan is to provide incentive for increased productivity and job satisfaction, to recognize performance, to improve the overall performance of VTA, and to provide a basis for attracting and retaining quality employees on whom VTA's success depends.

**2.0 Scope:**

This Policy applies to all Non-Represented employees.

**3.0 Responsibilities:**

The Human Resources Department shall be responsible for ensuring compliance with this Policy.

**4.0 Policy:**

**4.1 GENERAL**

4.1.1 Non-represented employees are paid merit based salaries within a broad range salary schedule. VTA's merit based broad range salary plan is designed to pay competitive, equitable compensation, consistent with community and industry salaries. Each employee shall be paid based on the scope of his/her job duties and performance within that position, without regard to race, color, religion, creed, national origin, ancestry, sex, age, mental or physical disability, sexual orientation or disabled veteran/Vietnam era veteran status. VTA's merit based broad range salary plan allows managers to recognize an employee's performance and the employee's contributions toward achievement of departmental and VTA objectives.

4.1.2 The salary schedule consists of salary ranges which each have a minimum, mid-point and maximum rate of pay. The minimum, mid-point, and maximum are reference points for setting salaries of non-represented employees. The mid-point represents the normal average pay rate of fully qualified employees whose performance is fully satisfactory.

4.1.3 The minimum and maximum of the salary range provide for development and growth within the range. New employees, or employees in new positions, move toward the mid-point as competence is developed. Long-term employees in the same class move toward the maximum if productivity and quality of work are above the norm. The supervisor's evaluation of an employee's performance and

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the employee's placement within the salary range determine how an employee moves through the range.

- 4.1.4 Human Resources periodically monitors the competitive position of VTA by reviewing the salaries of the relevant labor market, as defined by VTA.

VTA strives to maintain both industry parity and internal alignment, as limited by budget and other considerations.

- 4.1.5 Salary increases shall be based on performance. Performance standards (goals and objectives) shall be clearly established and documented in advance. An employee's performance in relation to the performance standard shall be evaluated by his/her manager according to the performance appraisal system.

- 4.1.6 Performance based merit increases (various percentages for each level of performance) shall be established by the General Manager (or General Counsel, as appropriate), with input from Executive Management, taking into consideration:

- VTA performance
- Budget
- Cost of living/inflation
- Competitive factors
- Bargaining unit settlements

- 4.1.7 Increases and salary ranges for the General Manager and General Counsel shall be determined by the Board of Directors.

- 4.1.8 Employees in unclassified positions (hired on a limited term for the completion of specific projects) shall follow the same pay practices as apply to employees in classified positions.

#### 4.2 INITIAL SALARY - NEW HIRES

New employees shall typically be hired at or near the minimum of the salary range. Should an applicant have special qualifications or related experience in excess of that usually required, or if there is difficulty in recruiting for the position, the applicant may be hired above the minimum, if approved by the Division Chief/Director and the Deputy Director of Human Resources. New employees shall not be hired above the mid-point

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without the concurrence of the Director of Business Services or General Manager (or General Counsel, as appropriate).

#### 4.3 SIX MONTH INCREASES - NON-EXEMPT EMPLOYEES

Newly hired or promoted non-exempt employees shall receive a salary increase after six full months of competent service in the new position. Absences of less than two weeks shall not be considered when evaluating eligibility for this increase. Increases will typically be 5%, unless there are circumstances warranting a lower increase. Newly hired or promoted non-exempt employees shall not be eligible for a performance based merit increase or an accelerated merit increase during this six-month period. Human Resources shall notify the Division Chief/Director when a non-exempt employee is eligible for a six-month salary increase and shall provide the necessary paperwork to process the increase.

#### 4.4 PROMOTIONS

The salary adjustments shall be determined based on the difference in salary ranges based on a comparison of midpoint to midpoint. If an employee is reclassified from a step system to broad range system, the comparison will be from the top step of the old range to the midpoint of the new range.

- For a reclassification or promotion of less than 10%, the salary shall be adjusted so that the employee will receive an increase corresponding to the difference between the ranges, unless there are circumstances warranting a lower increase.
- For a reclassification or promotion of 10% or more, the salary shall be adjusted so that the salary of the employee shall be moved to the minimum of the new range, or receive a minimum of a 10% increase, whichever is greater, unless there are circumstances warranting a lower increase.

#### 4.5 DEMOTIONS

4.5.1 Voluntary - An employee who voluntarily demotes to a position with a lower salary range shall retain his/her former salary, unless it exceeds the top of the range. In such cases, the employee's salary shall be decreased to the top of the new range on the first day of the pay period of the effective date of the demotion.

If the employee demotes during the probationary period for the higher level class, the employee's salary shall return to what it would have been at the lower class, as if he/she had not promoted.

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4.5.2 Involuntary - An employee who is involuntarily demoted (for example, as the result of an organizational restructuring) shall retain his/her former salary, even if it exceeds the top of the new salary range. In cases where the employee's salary exceeds the top of the new range, the employee's salary shall be "Y Rated" (meaning the employee's salary shall be "frozen" and the employee shall not receive further increases or adjustments) until the salary of the "new" class (the classification demoted to) catches up with the employee's "frozen" salary.

4.5.3 Disciplinary/Performance Based - The salary of an employee who is demoted for disciplinary or performance reasons shall be decreased to a level that does not exceed the top of the new salary range. The circumstances of each individual case shall determine whether there will be any further reduction in salary because of the discipline/performance issues.

#### 4.6 PERFORMANCE BASED MERIT INCREASES

4.6.1 Performance based merit increases shall be based on the employee's performance appraisal for the appraisal period. The employee must have worked at least six months in his/her current class during the appraisal period to be eligible for a performance based merit increase.

4.6.2 Employees who receive "Improvement Required" ratings shall not be eligible for a performance based merit increase. However, should their performance improve to the level of "Meets Expectations," they may receive a pro-rated performance based merit increase.

4.6.3 No increases shall be provided above the maximum of the salary range without the recommendation of the Director of Business Services and the approval of the General Manager (or General Counsel, as appropriate).

#### 4.7 ACCELERATED MERIT INCREASES

4.7.1 Employees whose performance is fully satisfactory shall be eligible for accelerated merit increases, up to the mid-point of their salary range, if they have not received an individual or six-month increase within the last three months. These increases shall be in addition to the performance based merit increase.

4.7.2 Each year (approximately six months after the most recent performance based merit increase), employees who have been in their current class for

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more than six months and who are earning less than the mid-point of their salary range (and who have not received an individual or six month increase within the last three months) may be eligible for an accelerated merit increase. Increases shall typically be 5%, unless there are circumstances warranting a lower increase. Accelerated merit increases shall not cause the salary to exceed the mid-point of the salary range.

4.7.3 Employees, who are paid at or above the mid-point of their range, are not eligible for accelerated merit increases. They shall receive only the performance based merit increase, based on a performance evaluation.

4.7.4 Human Resources shall notify the Division Chief/Director when an employee is eligible for an accelerated salary increase and shall provide the necessary paperwork to process the increase.

#### 4.8 INDIVIDUAL INCREASES

Individual increases may be made to correct pay discrepancies or in other unusual circumstances where approved by the Director of Business Services or General Manager (or General Counsel, as appropriate). An example of such a circumstance is where an employee is determined by the Division Chief/Director to have the same level of skills, qualifications and experience, and is performing work at the same level and competence, as another employee in the division who was hired at a higher salary.

#### 5.0 **Definitions**

N/A.

#### 6.0 **Records:**

Human Resources shall maintain records of salary increases and copies of performance appraisals in the employee's personnel file.

#### 7.0 **Summary of Changes:**

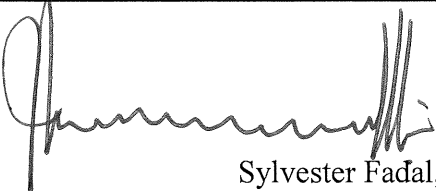


7.1 This policy replaces procedure AS-HR-PR-3920.

7.2 It has been revised to specify that only non-exempt employees are eligible for six-month increases.

7.3 Changed references regarding Employee Services to Human Resources. Corrected obsolete classification titles.

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**8.0      *Approval Information:***

<i>Prepared by</i>	<i>Reviewed by</i>	<i>Approved by</i>
 Sylvester Fadal, Deputy Director HR & Diversity Programs	 Bill Lopez Director of Business Services	 Nuria I. Fernandez General Manager/CEO

*April 6, 2015*  
Date

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