



## EMPLOYEE COMPENSATION POLICY

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### PURPOSE:

The purpose of this policy is to provide a policy framework for a compensation plan to ensure that the Corporation is able to recruit and retain well-qualified employees for positions within the Corporation.

As an auxiliary organization in the California State University System, the CSUSM Corporation (Corporation) compensation policies and procedures are compliant with California Code of Regulations (CCR) Title 5, Division 5, [Chapter 1](#) (California State University), [Subchapter 6](#) (Auxiliary Organizations) and California Education Code [§89900](#).

### SCOPE:

- I. This Policy covers all Corporation positions.
- II. Establish wages and salaries for positions that are competitive with the salaries and benefits being paid to comparable jobs in other educational institutions in the area or in commercial operations of like nature.
- III. Provide a wage and salary structure that is internally and externally equitable and which ensures that positions with equal skill, effort, responsibility and working conditions receive equal pay.
- IV. Recruit and retain well-qualified employees for positions within the Corporation.
- V. Maintain salary and benefit costs within budgetary limits established by the Board of Directors, and consistent with Education Code section 89900.

### POLICY:

#### I. Salaries

In compliance with 5 CCR §42405(a) and Education Code §89900(c), the Corporation Board shall provide salaries, working conditions and benefits for its full-time employees that are comparable to those provided to University employees performing substantially similar services. For full-time employees whose duties are not comparable to classes in California State University employment, the salaries established shall be at least equal to the salaries prevailing in other educational institutions in the area, or commercial operations of like nature.

Salary Grade Adjustments will be made as needed to keep up with inflation and any increases to California minimum wage. Additional requests for salary increase due to re-

classifications or equity reviews will be reviewed by the Corporation Human Resources Director and must be approved by the Corporation Executive Director. Merit increases are based on performance as documented on the annual performance appraisals and will follow the University guidelines each year.

## II. Retirement Benefits

Corporation retirement benefits may be provided by other than the Public Employees' Retirement system, in compliance with Education Code §89900(c). The Corporation may withhold retirement benefits or permanent status benefits (or both) from executive and temporary employees.<sup>1</sup> Additionally, any auxiliary organization that is funded primarily by mandatory student fees may be exempt from the requirement of providing retirement benefits.

## III. Auxiliary Board Approval

- a. The Board of Directors must approve any changes to this policy. The Corporation Executive Director and Human Resource Director shall develop and implement guidelines to ensure that this policy is executed in a fair and equitable manner. Maintaining comparability with the University, the Corporation Board may approve a pool to be utilized for pay increases when it is appropriate to do so.
- b. Any pay increase will be comparable with University increases for the same fiscal year. Pay increases will be applied consistently to all employee types of CSUSM Corporation and any other CSUSM auxiliary organization contracting with the Corporation for human resources and payroll services, in compliance with 5 CCR §42405 and Education Code §89900, based upon available budget.

<sup>1</sup> Retirement benefits are related to 403(b) Defined Contribution Retirement plan and are a requirement of all regular employees; a temporary employee is (a) an employee employed for a research project, workshop, institute, or other special project funded by any grant, contract or gift; or (b) an employee whose contract of employment is for a fixed term not exceeding three years.