

DHHS POLICIES AND PROCEDURES

Section V:	Human Resources
Title:	Classification/Compensation
Chapter:	Career Banding Salary Administration
Current Effective Date:	6/1/09
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Purpose

The purpose of this policy is to establish guidelines and procedures for career banded salary administration activities. This policy follows the guidelines of the [career banding salary administration policy](#) approved by the NC State Personnel Commission.

Policy

It is the policy of the Department of Health and Human Services (DHHS) to evaluate positions and compensate its career-banded employees at a level that emphasizes working at appropriate competency levels that are linked to organizational goals; promotes high standards of performance; and maintains labor market competitiveness.

Employees in the career banding system will consistently receive fair and equitable treatment for career opportunities and compensation under these policy guidelines.

Implementation

1. Responsibilities: Division of Human Resources (HR)
 - A. The DHHS HR Chief of Classification and Compensation will administer the career banding system.

Responsibilities will include:

1. Policy Communication
 2. Education and Training
 3. Technical Consultation
 4. Program Evaluation
 5. Program Accountability
 6. Equal Opportunity
 - B. DHHS HR will use the following phased approach for delegating salary decision authority to managers:

1. DHHS HR will provide career banding salary administration training as a part of supervisory training.
 2. As the first group of positions are banded within a division, facility or school, managers will use their knowledge of the career banding pay policy (including the required pay factors) to make salary recommendations to DHHS HR for final approval.
 3. After DHHS HR staff has verified that managers are consistently using the pay factors correctly in making salary recommendations, DHHS HR will delegate salary administration decision-making authority to the managers.
 4. DHHS HR will audit at least 10% of salary decisions made by managers who have salary administration authority. If audit findings indicate incorrect pay policy practices, DHHS HR may withdraw a manager's delegated salary administration authority and/or require that a manager attend salary administration training.
- C. DHHS HR will assess the career banding salary administration program periodically, including the following:
1. Monitor dispute resolution decisions resulting from career banding salary decisions.
 2. Ensure that management has provided complete career banding information to affected employees.
 3. Determine if managers have applied pay factors appropriately and consistently to banded employees.
 4. Determine if employees have equal opportunities for development and advancement under the career banding philosophy.
 5. Ensure that DHHS does not engage in unlawful discrimination in banded jobs.
 6. DHHS HR will report career banding system evaluation results to the Office of State Personnel (OSP) at least annually, unless required more frequently by OSP.

2. Responsibilities: Division, Facility, and School Directors

DHHS senior leadership must comply with the following career banding salary administration provisions:

- A. Performance workplans for managers who make salary decisions must include a key activity on following correct salary administration policy when making career banding salary administration decisions.
- B. The director is accountable for all salary decisions.
- C. DHHS executive management has the authority to set the performance rating level and/or the degree of disciplinary action in any case where a manager with salary decision authority misuses this authority to grant pay increases by misapplying pay factors or applying salary administration policy inappropriately.

3. Responsibilities: Managers and Supervisors

DHHS managers and supervisors must comply with the following career banding salary administration provisions:

- A. Management shall ensure that all employees have had the necessary training and access to information necessary to understand the career banding concepts that affect them.
- B. Management shall establish career development plans that promote employee contributions to the DHHS mission and goals.
- C. Management shall evaluate employees upon entry into any career banded position to determine competency level. Following the initial level determination, managers shall evaluate employees' competencies as frequently as required to ensure the competencies are aligned to the business need of their job, or at least every three years. Managers may also re-evaluate employee competencies when employees have demonstrated additional competencies that may move them into a higher level and make recommendations for salary increases if appropriate.
- D. Management shall provide feedback to employees on ways to achieve new or higher level competencies and provide suggestions for training, education, or other opportunities to develop their competencies.
- E. Management shall apply pay factors appropriately and equitably in determining employee salaries in compliance with the "[State Personnel Career](#)

Banding Salary Administration Policy.” Managers shall apply pay factors with each action defined in the “New Hire, Promotion, Reassignment, Demotion, Grade-Band Transfer” policy found in the NC State Personnel Manual.

- F. Management shall document each salary decision, describing how they applied the pay factors to reach the pay decision. The salary adjustment may be granted if funds are available.

4. Responsibilities: Employee

Employees shall comply with the following:

- A. Provide input to their supervisors/managers in establishing workplans that are relevant to the mission and goals of DHHS;
- B. Participate in discussions with their supervisors/managers on competency development plans to develop their competencies.
- C. Attend career banding meetings, information sessions, etc. and provide feedback when requested.

5. Pay Factors to be Applied to Salary Administration Decisions

- A. Financial Resources - the amount of funding that a manager has available when making pay decisions.
- B. Appropriate Market Rate - the market rate applicable to the functional competencies demonstrated by the employee.
- C. Internal Pay Alignment - the consistent alignment of salaries for employees who demonstrate similar required competencies in the same banded class within a work unit or organization.
- D. Required Competencies - the functional competencies and associated levels that are required based on organizational business need and demonstrated on the job. This pay factor considers minimum qualifications for class:
 - 1. Knowledge, skills and abilities
 - 2. Related education and experience
 - 3. Duties and responsibilities
 - 4. Training, certifications and licenses

6. Career Banding Pay Dispute Review Process

Career employees subject to the NC State Personnel Act may dispute a salary decision by filing a written complaint on [DHHS Form Number DHR CC 4028](#) with their division, facility or school HR office under the following conditions:

- A. The employee must file the complaint within 15 calendar days following written notification of the salary decision. Complaints that are not received by the HR office within the 15-day timeframe will not be considered.
- B. The complaint must be a disagreement with a salary decision related to a promotion, reassignment, demotion or career progression adjustment (as defined by the OSP Career Banding Salary Administration Policy) and shall be based on at least one (1) of the following allegations:
 - 1. The amount of the salary adjustment is different from expected based on application of pay factors.
 - 2. No salary increase has been granted when application of pay factors would support an adjustment.

The overall competency level of employee has not been appropriately evaluated.

Employees who did not receive a pay raise solely because of limited funding may not dispute the decision.

Position competency levels are not disputable.

Employee must have a performance rating of at least “Good” to be eligible for pay dispute. o other dispute issues shall be considered under this policy.

- C. Upon receipt of a valid and timely salary decision complaint, the HR office shall promptly forward the complaint to the manager/supervisor designated by program management to review the complaint. The reviewer must be in a higher level position than the initial decision maker. The manager/supervisor shall:
 - 1. Review the complaint giving the employee and the person who made the salary decision an opportunity to informally present information in support of their positions. The manager/supervisor reviewing the complaint may choose to meet with both parties (together or separately), discuss the issues by phone, or review written documentation.

2. Make a final decision in writing to the employee with copies to the person who made the salary decision and to the HR office no later than 60 calendar days following the receipt of the complaint.
3. The employee cannot appeal the final decision made by the reviewing manager/supervisor.

7. Employee Advisory Committee

DHHS shall have an employee advisory committee represented demographically to review implementation and operation of the career banding program to ensure that employees are being treated fairly in opportunities for career development and compensation levels. The committee will present results to the respective division, school or facility director and DHHS HR.

For questions or clarification on any of the information contained in this policy, please contact [Human Resources](#). For general questions about department-wide policies and procedures, contact the [DHHS Policy Coordinator](#).