



SOUTHWEST

TENNESSEE COMMUNITY COLLEGE

COMPENSATION

PLAN

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Executive Overview

Introduction

The Southwest Tennessee Community College Compensation Plan is produced for all employees to provide information about the College's compensation procedures and related employment information. Additional information about employee classification and compensation can be found in the Employee Classification and Compensation Policy 5-00-00-00-5. The purpose of Southwest Tennessee Community College's compensation system is to attract and retain high quality employees. The President of the College or designee is responsible for the development, maintenance, and administration of employee pay systems in accordance with the Tennessee Board of Regents (TBR) policies and administrative procedures in the Compensation Plan. This Compensation Plan will be updated annually to reflect any changes made through the budgetary planning process or other administrative requirements. The Department of Human Resources will use the most recently approved Compensation Plan as the basis for making decisions regardless of any previously approved policies, which based on timing or the policy sunseting process, may have a contradiction. Nothing in this Plan is intended to create (nor shall be construed as creating) an expressed or implied contract or to guarantee employment for any term.

This Plan applies to full-time benefits-eligible clerical (CL), administrative (AD), and faculty (FA, F9) as defined in Policy, employed by Southwest Tennessee Community College.

Review Committee

Annually, or as needed, the Compensation Plan review committee, may convene to serve as an advisory body for compensation matters. The Compensation Plan review committee shall be a subcommittee of the Planning and Budget Council. The committee will consist of appointed members recommended by the Vice President of People and Culture and approved by the President/designee. The committee membership shall include at least seven representatives but no more than eleven from various employee classifications across the organization, including representatives from the various governance bodies. The committee will bring forward issues for consideration and serve as an advisory body for compensation matters important to employees. All changes regarding the compensation plan must be reviewed by the senior leadership team and brought forward by the Vice President of People and Culture for the President's approval prior to submission to TBR.

Consulting Resources

The College may engage a consulting team's professional services to assist with market analysis or conduct various compensation studies to inform leadership decisions about compensation or total rewards when appropriate.

Compensation Philosophy

Southwest Tennessee Community College is focused on Excellence in Education. Our compensation philosophy is designed to promote our goal of being an employer of choice in Memphis, Tennessee. Pay is a critical component of our total compensation and rewards package. Southwest Tennessee Community College also provides diverse benefits, which includes generous paid time off, access to

higher education for employees and eligible dependents, and robust professional development. Our philosophy strives to:

- Pay employees in a manner that is equitable, consistent, and aligned with the College's approved budget.
- Compensate employees in a way that motivates, rewards exceptional performance, and values professional growth and development.
- Utilize experience, education, and other relevant credentials as primary factors for job comparisons, internal salary analyses, and compensation determinations.
- Become market competitive while ensuring internal pay consistency.
- Encourage career growth and development with internal promotion policies.
- Identify career pathways using career ladders and lattices as an effective means to workforce planning and forecasting.

Pay Structures

Salary Pool

The Salary Pool will be determined by the State and the Tennessee Board of Regents and finalized through the annual budget setting process. More information about resource allocation can be found in the TBR Policy [4.01.00.10 Community College Resource Allocation Plan](#).

The size of STCC's salary pool is dependent on:

1. External decisions such as the TBR's general fund appropriation, outcomes and enrollment, and the budget allocation formula.
2. Internal College decisions based on STCC's goals for compensation in the context of competing demands for resources among College priorities.

Non-Faculty Pay Structures

- Clerical and Support – There are seven pay grades with a 9.5% difference between midpoints.
- Administrative, Professional and Executive – There are fourteen pay grades with a 12% to 15% difference between midpoints. There is a separate pay structure for executive positions.

Faculty Pay Structure

The faculty pay structure includes twelve grades representing four levels for rank from instructor to professor.

Details by Employee Classification

The consultant reviewed each individual job description for every classification and job family included in the study. All positions were benchmarked using data from a comprehensive salary survey from Robert Half, CUPA, Salary.com, Indeed, and other local sources including postings from like positions of local competitors.

The Employee Classification totals table is broken down into the four distinct employment categories: Exempt, Non-Exempt, Faculty, and Executive. For each category, the total amount of salaries for each category along with the average salary is shown.

Any employees below the minimum of their salary grade are notated. Next, the number of employees below the mid-point/market value of their salary grades are shown. Then, percentage of employees of the entire employment category that are below the mid-point/market value, the total cost to bring all those employees up to the mid-point/market value of their salary grade, and the average cost per employee to bring to the mid-point/market value of their salary grade are all calculated.

Totals for each of the columns to provide a snapshot of college-wide employees overall are on the final line.

Table 1 – Snapshot of Employee Compensation

E-Class	Total Salary	Average Salary/Rate	Below Min	Below Mid	Below Mid	Mid Cost	Average Market/Mid Cost
Exempt	\$9,592,428.00	\$58,849.25	0	88	54.27%	\$410,457.00	\$2,518.14
Non-Exempt	\$5,670,276.00	\$19.37/hr - \$37,771.50	0	80	53.33%	\$157,718.54	\$1,051.46
Faculty	\$9,937,688.00	\$60,228.41	0	109	66.06%	\$557,248.00	\$3,377.26
Executives	\$1,840,968.00	\$121,852.93	0	12	80.00%	\$135,594.00	\$9,039.60
	\$27,041,360.00	\$60,434.77	0	289	63.42%	\$1,261,017.54	\$4,363.38

Faculty

The faculty pay ranges were developed by creating a midpoint based on the median of the market for each rank, and then calculating minimums and maximums using a 50% spread. Additional information on pay calculation for faculty can be found in the [General Personnel Guidelines 5:01:00:00/0](#).

Market Sources & Scope of Data

- CUPA-HR Data on Demand 2022-23 – Associate’s Institutions, Public Institutions, Tenure/Nontenure Combined Faculty Salaries by Rank and Discipline, Unweighted Statistics, median aggregated across all disciplines.
- IPEDS - Instructional programs surveyed are based on the 2020 IPEDS Classification of Instructional Programs (CIP) National Center for Education Statistics.

Table 2 – Faculty 9-Month Faculty Grades

9-MONTH RANGES BY RANK & DISCIPLINE						
Grade	Rank	Title	Level	Minimum	Midpoint	Maximum
210	1	Professor	1	\$60,492.00	\$75,612.00	\$90,732.00
211	1	Professor	2	\$63,516.00	\$79,392.00	\$95,268.00
212	1	Professor	3	\$66,540.00	\$83,172.00	\$99,816.00
207	2	Assoc Prof	1	\$49,548.00	\$61,932.00	\$74,316.00
208	2	Assoc Prof	2	\$52,020.00	\$65,028.00	\$78,036.00
209	2	Assoc Prof	3	\$54,504.00	\$68,124.00	\$81,756.00
204	3	Asst Prof	1	\$43,032.00	\$53,784.00	\$64,536.00
205	3	Asst Prof	2	\$45,180.00	\$56,472.00	\$67,764.00
206	3	Asst Prof	3	\$47,328.00	\$59,160.00	\$70,992.00
201	4	Instructor	1	\$38,196.00	\$47,748.00	\$57,300.00
202	4	Instructor	2	\$40,104.00	\$50,136.00	\$60,156.00
203	4	Instructor	3	\$42,012.00	\$52,524.00	\$63,024.00

12-month faculty ranges are 25% above the 9-month structure

Process for Setting Faculty Pay Rates

Faculty are hired as either an instructor or assistant professor based on the minimum qualifications of the role. Faculty with a terminal degree are hired at the assistant professor rank.

Faculty members are hired at the minimum of the pay range based on their discipline and rank as outlined on Table 2, the IPEDS Classification of Instructional Programs (CIP). Other considerations include the current pay for faculty in the department.

Table 3 – Faculty Level by Discipline

Assigned Discipline	CUPA Discipline Codes	CUPA Discipline
1	51.01	Health & Medical Administration Services
1	51.08	Allied Health & Medical Assisting Services
1	51.09	Allied Health Diagnostics, Intervention, & Treatment
1	51.1	Clinical /Medical Lab Services and Allied Professions
1	27	Mathematics & Statistics
1	32	Basic Skills & Developmental /Remedial Education
1	51.39	Practical Nursing, Vocational Nursing, Nursing Assists
1	16	Foreign Languages, Literature, Literatures and Linguistics

Assigned Discipline	CUPA Discipline Codes	CUPA Discipline
1	23	English Language & Literature Letters
2	9	Communication, Journalism, Related Communication Fields
2	10	Communication Technologies/Technicians & Support Services
2	50	Visual and Performing Arts
2	26	Biological and Biomedical Sciences
2	40	Physical Sciences
2	13	Education
2	38.01	Philosophy
2	42	Psychology
2	45	Social Studies
2	54	History
3	4	Architecture & Related
3	12.03	Funeral Service and Mortuary Science
3	49.01	Aeronautics/Aviation/Aerospace Science and Technology
3	14	Engineering
3	51.38	Registered Nursing, Nursing Admin., Research, Clinical
3	15	Engineering Technologies and Engineering Related Fields
3	47	Mechanic & Repair Technologies/Technicians
3	22.03	Legal Support Services
3	43	Homeland Security, Law Enforcement, Firefighting, Related Protection Services
3	52	Business Management Marketing & Related Support Services

Pay for Faculty Promotions

Eligible faculty may apply for promotion annually. The process for attaining promotion can be found in the [Faculty Promotions Policy No 5:02:02:01/37](#). Faculty members who are approved for promotion in rank by the Tennessee Board of Regents are awarded a 3% base salary increase. If after applying the increase the employee's new pay rate is still below the minimum, the employee's pay rate is brought up to the minimum of the new rank. Human Resources will be responsible for conducting the compensation analysis to accompany each approved promotion.

Clerical & Support Employees (Non-Exempt)

As budget and funding permits, the College's goal is to continue to increase salaries to be more closely aligned to the Living Wage for Shelby County. The 2024 starting rates reflect a 12.28% increase over the starting rates of 2023.

Table 4 – Non-Exempt Employee Pay Grades

Grade	Minimum	Midpoint	Maximum
1	\$13.78	\$17.48	\$20.98
2	\$15.33	\$19.15	\$22.97
3	\$16.78	\$20.96	\$25.16
4	\$18.38	\$22.96	\$27.55
5	\$20.12	\$25.14	\$30.16
6	\$22.03	\$27.53	\$33.03
7	\$24.13	\$30.14	\$36.17

Rationale for Establishing Target Pay

Budget and performance permitting, Southwest’s goal is to ensure employees with relevant experience are appropriately paid between the minimum and first quartile of their salary range. This is a continuous, multi-year compensation aspiration. The goal is to continue to move toward the Living Wage for Shelby County.

Process for Setting Nonexempt Pay Rates

The College wants to have flexibility in setting new hire pay rates but also wants fair and consistent treatment of all newly hired employees. To that end, the College will adhere to the following guidelines when determining each new employee’s starting pay:

1. The candidate’s educational background and previous directly and indirectly related experience will be evaluated compared to the job’s requirements. Directly related experience (e.g., higher education experience, work in the particular field of study, etc.) will be credited at 100% while indirectly related experience (e.g., experience in K-12, using related skills in other industry sectors, etc.) will be credited at 50%.
2. Employee starting pay will be equal to or greater than the minimum of the job’s pay range.
3. Starting pay will not exceed the midpoint except in rare circumstances. Exceptions must have a justification and be recommended or endorsed by the Vice President of People and Culture and approved by the President/designee.
4. The current pay rates of other employees in the same or similar jobs as the new hire will be reviewed to facilitate internal pay parity among peers.

Administrative & Professional Employees (Exempt)

Employees classified as exempt must meet the minimum FLSA threshold salary of \$35,568 annually. Additional considerations must be carefully met to classify exempt IT (information technology) employees. Human Resources will collaborate with hiring managers to ensure the appropriate criteria is met before classifying any position as exempt. The structure includes a 12% spread between midpoints.

Table 5 – Exempt Salary Structures

Grade	Minimum	Midpoint	Maximum
101	\$35,568	\$44,460	\$53,352
102	\$39,836	\$49,795	\$59,754
103	\$44,616	\$55,771	\$66,925
104	\$49,970	\$62,463	\$74,956
105	\$55,967	\$69,959	\$83,950
106	\$62,683	\$78,354	\$94,024
107	\$70,205	\$87,756	\$105,307
108	\$78,630	\$98,287	\$117,944
109	\$88,065	\$110,081	\$132,098

Rationale for Establishing Target Pay

During 2023, the College was able to make significant adjustments for hundreds of individual employees' pay to bring them closer to market rates for their job families. At this point, the College's goal is to ensure every employee is paid at or above the minimum of the pay ranges and to continue to monitor the market with a commitment to adjusting salaries when market conditions warrant a change, and the budgets permit, and are approved by TBR.

Southwest's ultimate goal is to ensure employees who are fully proficient (e.g., at least five to seven years for non-exempt employees and eight to ten years for exempt employees) in their jobs are paid between the first quartile and the midpoint of their pay ranges, which represent the going market rates. Additionally, we want to ensure employees with relevant experience are paid appropriately along the continuum between the minimum and midpoint. We recognize; however, it may take several budget cycles to achieve these compensation goals.

Process for Setting Pay Rates

The College wants to have flexibility in setting new hire pay rates but also wants fair and consistent treatment of all newly hired employees. To that end, the College will adhere to the following guidelines when determining each new employee's starting pay:

1. The candidate's educational background and previous directly and indirectly related experience will be evaluated in comparison to the requirements of the job. Directly related experience (e.g., higher education experience, work in the particular field of study, etc.) will be credited at 100% while indirectly related experience (e.g., experience in K-12, using related skills in other industry sectors, etc.) will be credited at 50%.
2. Employee starting pay will be equal to or greater than the minimum of the job's pay range.
3. The current pay rates of other employees in the same or similar jobs as the new hire will be reviewed to minimize pay compression challenges and promote fairness.

Executive Employees (Exempt)

The exempt pay ranges for executive-level positions are represented by grades 115 through 120. The grades represent a 15% difference between midpoints and a 50% spread from the minimum to the maximum.

Table 5 – Executive Pay Grades and Ranges

Grade	Minimum	Midpoint	Maximum
115	\$94,178	\$117,722	\$141,267
116	\$108,305	\$135,381	\$162,457
117	\$124,550	\$155,688	\$186,826
118	\$143,233	\$179,041	\$214,849
119	\$164,718	\$205,897	\$247,077
120	\$189,426	\$236,782	\$284,138

Rationale for Establishing Target Pay

The College’s goal is to pay all employees at the at the minimum of the pay ranges or greater, including executives. The ultimate goal is to move all employees toward a more targeted position in range based on their qualifications. The Vice President of People and Culture and the President sets the salary for executive employees. The appointment of vice presidents who report directly to the president must be approved by the chancellor prior to start.

Starting pay for executives will not exceed the midpoint except in rare circumstances, which must be approved by the Vice President of People and Culture and the President.

Indexing the Salary Plan

Going forward, each year the College may consider market salary movement in order to index the salary plan. The College may refer to various sources to include CUPA-HR, Payfactors, World@Work, State of Tennessee, Annual Salary Budget Survey, and/or Educational Services Sector among other relevant sources. The recommended adjustment may be more or less than the total average salary movement. If the calculated percentage is less than 1.0%, an adjustment may be deferred until the following year.

Plan Summary

In 2024, for the first time, the College took a major and proactive approach to using a portion of the allocated salary pool to address compression and other compensation issues. Going forward, the College commits to evaluating compensation issues proactively including corresponding with transparency about the challenges with the compensation and market conditions.

Competitive pay is an important criterion for recruitment and retention in attracting the strongest candidates and having the most engaged and productive workers. Annually, during the budget planning cycle the leadership team commits to reviewing compensation holistically and will make incremental changes where and when necessary to maintain balance in pay where budgets permit.

Human Resources and Finance will collaborate on the importance of managing compensation according to the College's compensation strategy, with emphasis during a down economy when the budget for salaries tends to be lower. Consideration for market adjustments will be reviewed biennially and will be a part of compensation planning and accounted for in the budget when available. The College will continually monitor compensation and adjust incrementally as appropriate and when budgets permit.

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