

STATEMENT of POLICY and PROCEDURE			
Chapter:	Human Resources	SPP No.	HR 3.03.ON
Section:	Pay and Performance	Issued:	Nov. 15, 2019
Subject:	PAY ADMINISTRATION	Effective:	Jan. 1, 2020
Issue to:	All Manual Holders	Page:	1 of 3
		Replaces:	HR-02
Issued by:	Community Resource Centre	Dated:	Feb 2017

1 POLICY

- 1.01 The prime determinants of pay levels and/or pay increases are the individual's sustained past performance, the individual's present wage related to the pay grid and the time the individual has been performing the job. Length of service or tenure in a position does not, standing alone, justify granting pay increases.
- 1.02 Pay increase reviews are conducted annually based on the date of last increase or, in the case of newly hired employees, from their date of hire. More frequent reviews may be justified on the basis of performance.

2 PURPOSE

- 2.01 The purpose of this Statement of Policy and Procedure is to ensure that each employee is fairly and equitably rewarded for sustained competent performance in a job and to ensure that equitable pay relationships are maintained from one performance level to another, from one organizational level to another and from one department to another.

3 SCOPE

- 3.01 This Statement of Policy and Procedure applies to all employees.

4 RESPONSIBILITY

- 4.01 The **Board** is responsible for approving annual pay increase guidelines. The Executive Director is responsible for approving all pay increases.

5 DEFINITIONS

5.01 Types of Pay Increases

- (a) **Grid Increase** — An increase, based on performance and length of time, within the same job level and pay range.
- (b) **Promotion Increase** — An increase which may be granted to an individual who is promoted to a position with a higher job level.
- (c) **Reclassification Increase** — An increase that may be granted when the duties of a job have changed sufficiently so that the job is reclassified to a higher job level.
- (d) **Remedial Increase** — An increase which may be granted, at any time, to adjust an individual's wage at least to the minimum of the wage range.

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6 REFERENCES and RELATED STATEMENTS of POLICY and PROCEDURE

- SPP HR 3.01.ON — Pay Principles
- SPP HR 3.02.ON — Job Evaluation
- SPP HR 3.04.ON — Job Performance Review
- SPP HR 3.05.ON — Pay Range Structure

7 PROCEDURE

7.01 Size and Timing of Pay Adjustments

(a) Grid Increase

The size of an increase may vary based on an individual's job performance and Job Rate. Generally, an increase may be granted after a minimum time interval of twelve (12) months from the date of the last pay adjustment. More frequent adjustments may be justified by performance.

(b) Promotion Increase

A promotion may occur at any time and a Promotion Increase may be granted at any time up to six (6) months after the effective date of the promotion, depending on the individual's date of last increase. A Promotion Increase granted after the effective date of promotion shall not be retroactive to the date of promotion.

(c) Reclassification Increase

This type of pay adjustment may be granted when an individual's job is re-evaluated and adjusted upward to a classification that warrants the assignment of a new pay range. The prime determinants for an adjustment are the individual's performance level and the new pay range.

(d) Remedial Increase

This type of increase is used only for individuals who are paid below of the minimum of their pay range. The size of such an adjustment is dependent upon the individual's current wage in relation to the minimum of the pay range. This type of increase should be infrequent since only in rare and exceptional cases should an individual be paid less than the minimum of the pay range.

7.02 Annual Pay Increase Plan

(a) Because of the importance of maintaining control of the amount expended for pay increases and to ensure that equitable pay relationships are maintained from one job level to another, from one department to another, and from one job performance level to another, the **Board** shall approve pay increase guidelines for each fiscal year. The guidelines and budget may vary from year to year depending on prevailing business and economic conditions, such as: funder requirements, patterns in wage increases, demand versus supply in the labour market, trends in cost of living, etc.

(b) Approval of the Pay Increase Plan does not constitute automatic approval of planned increases. The Executive Director in conjunction with the supervisor is expected to re-evaluate the appropriateness of each planned increase immediately prior to the

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planned effective date, and to consider the individual's performance during the intervening period. Planned adjustments that are not processed are forfeited and are not redistributed to other employees.

- 7.03 No commitments, financial or otherwise, are to be made to any individual regarding wages or pay changes until all appropriate approvals have been obtained.
- 7.04 Pay increases shall date from the start of the next pay period following approval. Retroactivity should be avoided except in unusual circumstances.
- 7.05 When an employee's status changes, the supervisor will complete the "Employee Change of Status Form" and forward it to the Executive Director for approval. Once approved by the Executive Director, the form will be forwarded to payroll for appropriate action. If the status change means that the employee's benefits may be affected, the employee will receive a letter confirming the change and outlining any options open to him/her. The employee will receive a copy of the form, a copy will be forwarded to payroll, and a copy will be kept with the employees personnel file.