

Draft Policy on Requests for Executive Director Salary Increases

Scope

This policy applies to requests by the Commission to increase the Executive Director's salary.

II. Purpose

The purpose of this policy is to provide a consistent and transparent framework to be used by the Commission when exercising its discretion to request a salary increase for the Executive Director.

III. Values

Compensation for the Executive Director should serve to attract and retain a leader with a diverse set of skills and experiences to lead the California Student Aid Commission (CSAC). The Commission is committed to ensure that its Executive Director is compensated in a manner that is fair, reasonable, competitive, and fiscally prudent, and to do so in a way that is transparent to the public, as appropriate. The Commission acknowledges that many public employees receive regular merit adjustments to their salary, as well as cost-of-living adjustments to their base salary, and that policy regarding the Executive Director's salary should be approached in a similar manner.

IV. Authority & Approval Procedure

The Commission is not authorized to provide salary increases to exempt employees, including the Executive Director. Salary increase requests by the Commission require the submission of an Exempt Position Request (EPR) package and approval from the Governor's office and the Department of Human Resources (CalHR). The EPR package is submitted by the CSAC Human Resources Office with input from the Commission Chair and the Chair of the Personnel Evaluation and Nominations committee.

V. Policy Statement

In exercising its discretion to request an increase to the Executive Director's salary, the Commission shall abide by the following:

Criteria

Prior to making a request for a salary increase, the Commission shall complete the performance evaluation of the Executive Director for the previous year and determine that the Executive Director met or exceeded expectations.

(1) If the Executive Director has reached the limit of their salary range, the Commission shall provide CalHR and the Governor's Office a heightened justification for the salary increase request, which may include but is not limited to, (a) a change or evolution in the scope of duties and responsibilities of the Executive Director, and how the Executive Director's position has evolved in relation to the size and complexity of the agency, and (b) examples with specific details on how the Executive Director has consistently met or exceeded their responsibilities.

b. Amount

Requests for salary increases shall not exceed 5 percent of the Executive Director's current salary unless the Commission determines by a two-thirds vote that a higher percent is justified.

c. Deliberation and Disclosures

Pursuant to California Government Code 11126(a), consideration of the Executive Director's performance shall occur in closed session. Consideration of a request for a salary increase shall occur in open session. Prior to taking a vote on a salary increase request, the Commission shall disclose whether the criteria for requesting a salary increase has been satisfied, and the percentage increase in salary being requested.

d. Other Adjustments

If after an external examination or the receipt of information documenting an equity discrepancy in the Executive Director's compensation, the Commission will make a recommendation for a salary review by CalHR or make a specific adjustment recommendation.

VI. **Policy Review, Amendments and Termination**

The Commission shall review this policy ~~periodically, but no less than every 3 years~~ or earlier if needed. The Commission may amend, suspend or terminate this policy by a majority vote.