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HR-010

# HIRING AND PROMOTION POLICY & PROCEDURES

All Employees

MA-500 June 2013

# **Foreword**

This Directive sets forth the Airports Authority Hiring and Promotion Policy and Procedures for the recruitment, selection and pay setting for all Airports Authority positions below the level of Vice President.

Periodic updates shall be issued by the Office of Human Resources, after approval by the President and Chief Executive Officer.

John E. Potter

Date

President and Chief Executive Officer

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# Hiring and Promotion Policy & Procedures

# 1.0 General Policy

The Metropolitan Washington Airports Authority (Airports Authority) is an equal opportunity employer and hires individuals solely based on their qualifications and ability to do the job to be filled. It is the policy of the Airports Authority to ensure equal opportunity for all applicants and to select the best qualified applicant for a job opening without regard to (a) race, color, creed, religion, sex, age, national origin, disability, or (b) other non-meritorious factors such as political affiliation, marital status, sexual orientation, or gender identity.

To ensure a fair and nondiscriminatory selection process, external and internal applicants must apply through the formal application process to be considered an applicant for a posted position.

All positions are based on a job description that defines specific duties with a set salary range, and will be filled competitively.

This Policy establishes standards and controls so that all applicants are treated fairly by ensuring consistent processing of application materials as well as adherence to applicable laws, regulations, and Airports Authority policies. The Policy is consistent with legal guidelines<sup>1</sup> and professional practice<sup>2</sup> and is in compliance with the *Americans with Disabilities Act* (1990).

This Policy applies to Airports Authority positions below the level of Vice President.

#### 1.1 Definitions

- 1.1.1 Selecting Official is the individual, in relation to a particular hiring process, who establishes the Review Panel and makes the applicant selection with concurrence of the Functional Vice President.
- 1.1.2 Functional Vice President is the vice president of the office in which there exists a vacant position that is covered by and is being filled pursuant to this Policy.
- 1.1.3 The Review Panel is a group of employees, identified by the Selecting Official, responsible for conducting a screen to assess applicants who "best meet" the job qualifications from the pool of applicants who meet the minimum qualifications. The Review Panel makes recommendations to the Selecting Official for applicants to be interviewed.

<sup>&</sup>lt;sup>1</sup> Uniform Guidelines on Employee Selection Procedures (1978)

<sup>&</sup>lt;sup>2</sup> Principles for the Validation and Use of Personnel Selection Procedures (SIOP, 2003)

- 1.1.4 A Recruitment Strategy is an outline of the schedule and resources for the recruitment process.
- 1.1.5 Policy is this *Hiring and Promotion Policy & Procedures* document.
- 1.1.6 The Manager, ERPM, is the individual who develops and implements recruitment and hiring strategies to provide a qualified, diverse workforce.

# 1.2 Nepotism Policy<sup>3</sup>

- 1.2.1 The Airports Authority will consider an applicant for employment who is a relative of a current employee if the applicant possesses all of the qualifications for employment. However, a relative of an employee will not be accepted as an applicant for a position if his or her hiring would: (a) create a direct or indirect supervisor/subordinate relationship between the relative and employee; or (b) result in the relative and supervisor working for and reporting to the same supervisor. For purposes of this Policy, "relative" includes the employee's husband, wife, domestic partner, father, mother, grandfather, grandmother, son, daughter, stepson, stepdaughter, granddaughter, grandson, brother, sister, uncle, aunt, nephew, niece, father-in-law, mother-in-law, daughter-in-law, son-in-law, sister-in-law, and brother-in-law.
- 1.2.2 Employees who marry or become members of the same household may continue employment as long as there is not a direct or indirect supervisor/subordinate relationship between the employees.
- 1.2.3 Employees may not participate in, interfere with, or attempt to influence a hiring process in which a relative is an applicant for the position being filled. Also, employees may not provide a recommendation on behalf of a relative for use or consideration in a hiring process in which the relative is an applicant.

If the Airports Authority determines in the course of a hiring process that violations of this section have occurred that may have tainted the process, it either will take the steps necessary to remove the taint or will cancel the process. In no event will the relative of an employee be hired or remain an employee if it is determined that violations of this section have occurred during the hiring process.

# 1.3 Former Employee Rehire

1.3.1 Former employees who left the Airports Authority in good standing may be considered for reemployment. Former employees who resigned without providing written notice or who were dismissed for disciplinary reasons will not be considered for reemployment. Employees who retire and receive an immediate benefit are not eligible for reemployment without express written approval from the President and Chief Executive Officer. Failure to follow section 1.3.1 will result in cancellation of the recruitment package.

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<sup>&</sup>lt;sup>3</sup> This Policy is aligned with the Airports Authority's *Code of Ethics for Employees* (see Attachment A).

<sup>&</sup>lt;sup>4</sup> These criteria will also be considered when assigning, transferring, or promoting an employee.

## 1.4 Administrative Responsibilities

- 1.4.1 The Vice President for Human Resources is responsible for the establishment, amendment, implementation and oversight of the implementation of the policies and procedures for recruiting, selecting, appointing, assigning, reassigning, and promoting employees.
- 1.4.2 The Manager, Employment Resources and Personnel Management (ERPM), is responsible for ensuring that recruitment, retention, and promotion practices draw upon and support the communities served by the Airports Authority. The Manager, ERPM, develops and implements recruitment and hiring strategies to provide a qualified, diverse workforce.
- 1.4.3 The Manager, Compensation, ensures that all employees are paid correctly in terms of the set salary range for the position they occupy and is responsible for reviewing job duties and minimum qualification requirements for specific positions, updating job descriptions when appropriate, and classifying new positions in the Airports Authority's pay structure.
- 1.4.4 The Employee Standards Unit (ESU) in the Police Department is responsible for conducting background investigations of applicants who have received a contingent offer of employment to ensure applicants' suitability for hire.
- 1.4.5 The Functional Vice President is responsible for identifying the need to fill a position and for ensuring that the hiring process is conducted in accordance with this Policy.
- 1.4.6 The Selecting Official is responsible for ensuring that the hiring process is conducted, and his or her final hiring decision is made in accordance with this Policy.

#### 2.0 General Process

# 2.1 Purpose

2.1.1 The following procedures are applicable to hiring the best qualified individuals through a competitive process that contributes to the overall strategic success of the Airports Authority.

#### 2.2 Job Requisition

- 2.2.1 Preparation of job requisition and approval Selecting Official
  - The Selecting Official prepares a Request for Personnel Action (PE-10; see Attachment B) to initiate the recruitment process to fill a specific open position. The PE-10 must be signed off by the Functional VP, and provided to the Manager, ERPM.

#### 2.3 Recruitment

- 2.3.1 Initiation of recruitment *Manager*, *ERPM* 
  - The Manager, ERPM, verifies information on the PE-10, including job name/title, number, grade, and assigns recruitment to an Employment Specialist. A recruitment package can be used for up to 90 days for the same position at the discretion of the Selecting Official.
- 2.3.2 Preparation of recruitment strategy and vacancy announcement Manager, ERPM
  - With input from the Selecting Official, the Manager, ERPM, prepares a recruitment plan and a vacancy job announcement.
- 2.3.3 Posting job openings *Manager*, *ERPM* 
  - Internal-the Manager, ERPM, will consult with the Selecting Official to determine if "Internal Only" recruitment is desired. Internal Only recruitment will be warranted, for example, when specific Airports Authority knowledge and experience is required for the position. When an Internal Only recruitment is desired the job vacancy announcement is posted as an open position on the Authority intranet only for a minimum of two weeks.
  - External-the job vacancy announcement is posted as an open position on the Airports Authority website for a minimum of two weeks and is advertised using appropriate media.
- 2.3.4 Submission of applications *Applicants* 
  - Applicants are directed to apply online using the Recruitment Tracking System.
  - Applicants are informed that they may also apply via computer in the lobby area of the corporate office building at:

Metropolitan Washington Airports Authority 1 Aviation Circle Washington, DC 20001 • No application will be considered that is submitted through any channel other than those noted in this Policy.

#### 2.3.5 Application confirmation – Recruitment Tracking System

- The Recruitment Tracking System sends a message to the applicants confirming that the Airports Authority has received their application.
- The Recruitment Tracking System is updated to reflect that a confirmation has been sent to the applicants.

### 2.4 Selection and Interviewing

## 2.4.1 Screening for minimum qualification requirements – *Manager*, *ERPM*

- When the announcement period closes, the Employment Specialist screens applicants to identify those who meet the minimum qualification requirements as defined in the job vacancy announcement.
- The Employment Specialist sends the application, resume, and all other supporting documentation for all applicants who meet the minimum qualification requirements to the Selecting Official.
- The Employment Specialist sends the list of applicants who did not meet the minimum qualification requirements to the Selecting Official.

#### 2.4.2 Selecting Review Panel – Selecting Official

- The Selecting Official selects a Review Panel that is approved by the Functional VP. The Review Panel does not include the Selecting Official.
- Review Panels consist of three (3) members who are:
  - knowledgeable about the job
  - not in one another's reporting chain except in offices with only one supervisor.
  - diverse with respect to race, gender, and function to the maximum extent practicable at or above the grade of the open position
  - available to act immediately after the announcement closes and to conclude activities within 10 working days.

#### 2.4.3 Scheduling and Conducting Interviews – Selecting Official/Manager, ERPM

- The Selecting Official and/or the Review Panel select applicants to be interviewed and notify the Manager, ERPM. The Selecting Official has the option to interview without input from a Review Panel if seven (7) or fewer applications are received.
- The Manager, ERPM, ensures that all Selecting Officials and Review Panel members receive training regarding the *Hiring and Promotion Policy & Procedures* prior to a selection process taking place.
- The Manager, ERPM, schedules and coordinates the interview process and documents in the Recruitment Tracking System.
- The Selecting Official conducts the interviews.

# 2.4.4 Selecting Applicants and determination of compensation package – Selecting Official/ Manager, ERPM/Compensation Manager

- The Manager, ERPM, creates a Selection Sheet showing the names of all applicants interviewed, the Selecting Official's recommendation for a compensation package to be offered, and signature lines for the approval of the Selecting Official and concurrence of the Functional VP.
- The Manager, ERPM, conducts reference checks and provides results to the Selecting Official.
- The Compensation Department conducts a mandatory review for all base pay offers before an official "conditional" offer of employment is made if (a) the salary offer exceeds new hire pay-setting authority of the Functional VP or (b) the total offer to be made includes relocation assistance or another form of incentive.
- The VP for Human Resources approves or modifies the compensation package request according to Key Compensation Policies (see Attachment C).
- Prior to offering a position to a selected applicant, the Manager, ERPM, must receive:
  - Selection Sheet signed by Selecting Official and Functional VP, and
  - documented approval of the proposed compensation package from the Human Resources VP.

#### 2.4.5 Preparing contingent offer letter – *Manager*, *ERPM*

- The Manager, ERPM, makes the oral offer to the selected applicant.
- The Manager, ERPM, prepares a contingent offer letter, including a statement of the starting salary, benefits, Suitability for Hire requirement, and instructions for contacting the Employment Standards Unit (ESU), and sends to the selected applicant and Selecting Official.
- The Manager, ERPM, sends a new hire package to the ESU, including the selected applicant's resume and application, a copy of the contingent offer letter, and a copy of the position vacancy announcement.

#### 2.5 Post Contingent Offer

- 2.5.1 Completing Suitability for Hire Process *Employment Standards Unit (ESU)* 
  - The ESU receives a new hire package from the ERPM as notice that a selected applicant will contact it to initiate the Suitability for Hire process.
  - The ESU receives the security forms from the selected applicant and conducts an interview.
  - The ESU completes the required background checks based on requirements of the position and facilitates the fingerprint process.
  - The ESU provides the results of the Suitability for Hire background check to the Public Safety VP for final approval.
  - The ESU prepares a message certifying that the selected applicant is cleared or not cleared for employment and sends to the Manager, ERPM.
  - Note: the Airport Pass & ID office simultaneously performs a background investigation in compliance with TSA security directives for the purpose of AOA access.

- 2.5.2 Scheduling and conducting physical exams *Manager*, *ERPM* 
  - When required, a pre-employment physical is scheduled by the Manager, ERPM.
  - The medical provider gives pass/fail physical results to the Manager, ERPM.
- 2.5.3 Preparing final offer letter and creating HRIS profile *Manager*, *ERPM* 
  - If the selected applicant successfully completes the background check and any required physical examination, the Manager, ERPM calls the selected applicant and makes the final non-contingent offer; the start date is scheduled in coordination with the Selecting Official.
  - When the selected applicant accepts the final offer, the Manager, ERPM, prepares a letter confirming the applicants hiring, including an invitation to orientation and information regarding on-boarding documents required at orientation, and sends to applicant with copies to the Selecting Official and ESU.

#### Attachment A

#### Excerpts from Code of Ethics for Employees

#### Page 11, Section 9. Nepotism

- a. For the purposes of this Code, the term "relative" means the following; husband, wife, domestic partner, father, mother, grandfather, grandmother, son, daughter, stepson, stepdaughter, granddaughter, grandson, brother, sister, uncle, aunt, nephew, niece, father-in-law, mother-in-law, daughter-in-law, son-in-law, sister-in-law, and brother-in-law.
- b. An employee shall not participate in the making of a decision to hire, appoint, employ, or promote or in either the making of any decision or the taking of any action that has the potential to affect a person who is a relative of the employee, including making an attempt to persuade another employee to make a decision or take an action affecting the relative.
- c. An employee may not work in or be assigned to a position which will result in a situation where: (i) a relative or the employee directly or indirectly may supervise, control, or influence the work or the employment status of the employee; (ii) the employee directly or indirectly may supervise, control, or influence the work or the employment status of the relative; (iii) the employee or relative may supervise, control, or influence the affairs of the organizational unit in which the other works; or (iv) the employee and relative report directly to the same supervisor.

# Attachment B Metropolitan Washington Airports Authority REQUEST FOR PERSONNEL ACTION

Part I - REQUESTING OFFICE - Also complete Part II, Items 1, 13-22 and Part IV as necessary						
A. Personnel Action Requested		B. Proposed Effective Date		C. Requested By (Signature & Title)		
				,		
D. Recruitment Ac	tion Requested	E. Replaces (Vice)		E Ann	royed By (Signature & Ti	tio)
	Outside Authority	L. Replaces (Vice)		F. Approved By (Signature & Title)		110)
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1. Name (Last, Fir	st, Middle)			2. SSN	N/Clock#	3. Date of Birth
4. Retirement SCI	5. Leave SCD	6. FLSA  Exempt  Non-Exempt		7. Tenure Probationary Non-Probationary Not-Applicable		8. Sex
						Female
						Male
9. Effective Date		10. Retirement FICA CS Authority FE				12. Work Location
						COB DCA
		CS Interim		13	Non-Supervisory	IAD PSD
		<u>L</u>				
13. Nature of Acti	on (Note to Employment !	Specialists: Also comp	lete Part	III as red	quired)	14. Department Code
					•	
15. From (Job Tit)	e, Job Number, & Series)		19. To (Job Title, Job Number, & Series)			
	-,		19. 10 (Job Title, Job Number, & Series)			
16. Name & Loca	tion of Employing Office		20 Nama & Lagrian of Employing Office			
To: Maine & Boca	non or Employing Office		20. Name & Location of Employing Office			
17. Pay Grade	18. Salary/I-lourly Rate		21. Pay Grade 22. Salary/Hourly Rat		22 Salamillander Bara	
17. Pay Grade 18. Salary/Flourly Rate		21. Pay		Grade 22. Salary/Hourly Rate		
23. Remarks					I	
Part III – Clearan	ices (To be completed by	Office of Human Re	sources)		MARKET AND STREET	RESIDENCE DE L'ANGE
				/Signatu	res	Date
1.Benefits: Sign o	ff required when action re	quested is retirement,				
LWOP, RTD, termination, LTD, rehire, conversion to permanent						
appointment, or military leave						
2. Compensation: All actions with salary initiation or changes, i.e. promotions, recruitments, specialty pay, or new hire above						
minimum						
3.Labor Relations: Sign off required when action requested is					-	
suspension or termination for cause						
Approval						
I certify to the accuracy of the information entered on this form and that the proposed action is in compliance with statutory and						
regulatory requirements.						
Signature of Employment Specialist/Manager:					Date;	

Part IV-Preferred Factors (To be completed)	ed for recruit actions)					
Please list the preferred experience an ideal	candidate would possess.					
Please list the preferred education criteria, li	censes or certificates an ideal candidate would	d possess.				
		, , , , , , , , , , , , , , , , , , , ,				
		1				
Please list advertising resources that would a	attract an ideal candidate.					
Part V - Employee Resignation	全域 医电影 医动物 医电影					
Your reason for resigning may be considered	d in any future decision regarding your re-emp	ployment and may also be used to determine				
your eligibility for unemployment compensation benefits.						
A. Reason for Resignation (Note: Please give specific reasons for your resignation and attach letter of resignation.)						
to your resignation (trote, riedae give specific reasons for your resignation and attach letter of resignation.)						
B. Forwarding Address (Street City Street 7' C. 1)						
B. Forwarding Address (Street, City, State, Zip Code)						
C. Resignation Date	D. Employee's Signature	E. Date				
	- I South					
		4				

#### Attachment C

#### Key Compensation Policies, Metropolitan Washington Airports Authority

Following are some key compensation policies, which are presented in brief and in detail. Some details cover highly technical material or references that may require further explanation, such as use of regression equations. The Compensation Department will discuss all Airports Authority compensation policies and practices, as requested.

#### Competitive Pay:

#### In brief

The Airports Authority seeks pay schedules that are aligned with the marketplace. In support of this objective, the Airports Authority established a policy on market-competitive pay that focuses on pay range midpoint, which is the arithmetic middle of the pay range. The current policy on market-competitive pay – Airports Authority midpoints should be near, but no more than five percent below, market – was established during the 2005 Salaried and Trades Pay Studies. It applies to the Salaried, Trades, Police, Fire and Public Safety Civilian pay schedules.

#### In detail

The Airports Authority deems pay competitive when the Airports Authority midpoint rate for a benchmark job is no more than five percent below the corresponding market pay rate in: (1) the local (non-federal) public sector for the Police, Fire and Public Safety Civilian jobs/pay groups, and (2) both of the key comparator sectors for the Salaried jobs/pay group, which are the forprofit private sector and the federal sector, and both of the key comparator sources for the Trades jobs/pay group, which are the for-profit sector as determined by reference to the Department of Defense data source and the AFL-CIO source.

A benchmark job is a job the Airports Authority studies because it is critical to its success as an organization, represents a high population of its positions/employees or represents a critical level of work <u>and</u> is readily defined and matched, typically with a strong, high-quality match, across market sectors; there are other criteria for a benchmark job. Examples:

- Salaried benchmarks used in cyclical pay studies include Engineer at the S21, S22 and S24 levels, Risk Manager, Purchasing Agent, Contracting Officer jobs at various levels, Budget Analyst, Accountant, Secretary at the division, department, office and executive office levels, Mail Handler, Vice President jobs in most functional areas, and more. Forty-eight total benchmarks were used in the 2009 Salaried Pay Study.
- Trade benchmarks used in cyclical pay studies include Electronics Technician, Interior Electrician, Heavy Equipment Mechanic, Painter, Tools and Parts Attendant, Warehouse Worker, and more. Fifteen total benchmarks were used in the 2009 Trades Pay Study. Mobile Lounge Operator is not used as a benchmark, despite its very high employee population, because it is not (easily) matched in any market sector.

- Police benchmarks used in cyclical studies range from Airport Police Officer through Chief of Police.
- Fire benchmarks used in cyclical studies range from Firefighter through Fire Chief.
- Public Safety Civilian benchmarks used in cyclical studies are Emergency Communications Technician (entry level, full performance level and first level/shift supervisor) and Traffic Control Officer.

When the five percent threshold is exceeded (i.e., the Airports Authority benchmark job is paid at midpoint more than five percent below the market comparator job), the Airports Authority job is reviewed for upgrade (not automatically upgraded) based on its content and the market pay assessment, together - match quality, data quality, results replication, etc. Relationships with other jobs at the Airports Authority are always considered and, when important to total cash compensation, premium pay may be considered. Market-competitive pay for non-benchmark jobs is assured through regression analysis or internal alignment. (Pay for such jobs may also be measured directly in the marketplace through individual market pricing study or special study – see Pay Studies for more information on types of studies.) Regression analysis links market pay and job content value through statistical correlation of market pay and job evaluation points – pay for the benchmark jobs provides a market sensitive framework for pay of jobs not measured directly by the marketplace. The Airports Authority relies on regression equations to ensure the market pay value of Salaried and Trades jobs. The market pay value of Police, Fire and Public Safety Civilian jobs that are not measured directly by the marketplace is ensured through consideration of internal alignment with benchmark jobs, which are market-measured: Is pay for the jobs not measured directly by the market place properly aligned with pay for the benchmark jobs?

The five percent midpoint rate threshold was first applied during the 2005 Salaried and Trades Pay Studies (two cyclical studies), with results implemented in 2006. The previous policy was a ten percent competitive pay threshold in comparing Airports Authority midpoints to market midpoints.

#### Pay Studies:

#### In brief

The Airports Authority conducts pay studies to help assure market-competitive pay for Airports Authority jobs. There are:

- Individual market pricing studies that cover a single job or small group of closely related jobs, such as Contracting Officer at the entry, developmental and full performance levels comprising a bona fide career ladder,
- Comprehensive cyclical pay studies that cover an entire jobs/pay group, such as Salaried jobs or Police jobs,
- Annual pay studies used to track economic movements, such as movement of wages and prices generally, and recommend performance pay funding and pay schedule adjustments, and

• Special pay studies that cover specific jobs, such as jobs involved in airport operations, special pay issues, such as shift pay, and the like.

Using this integrated system of studies, the Airports Authority is able to keep its pay rates and pay policies sound and effective. The Compensation Department normally conducts or manages pay studies for the Airports Authority.

#### In detail

The Airports Authority conducts individual market pricing studies to identify market pay rates for a specific job, as deemed necessary. Typically, the Airports Authority conducts a market pay analysis of this type concurrently with, and complementary to, a job evaluation review when market pay value is as keen an issue as job content value. Individual market pricing studies focus on market sectors and use sources as pertinent to the job being studied. In addition, the Airports Authority conducts three types of major pay studies: (1) cyclical, (2) annual and (3) special.

- (1) Cyclical pay studies are comprehensive, and conducted quadrennially for the Salaried, Trades, Police and Public Safety Civilian jobs/pay groups and triennially for the Fire jobs/pay group. Cyclical studies consider the following comparative market sectors, listed in general order of importance (based on employment levels in various sectors in the greater Washington metropolitan area, the competitive pay policy of the Airports Authority and other factors):
- a. Salaried jobs/pay group. For-profit sector, federal sector, local (non-federal) public sector, and not-for-profit sector.
- b. Trades jobs/pay group. For-profit sector (Department of Defense data source, for-profit sector (AFL-CIO rates), local (non-federal) public sector, and federal sector.
- c. Police, Fire and Public Safety Civilian jobs/pay groups. Local (non-Federal) public sector.

At times, cyclical studies have resulted in major changes to:

- Pay structures number of grades, percentage differences between midpoints of grades, width of pay ranges, etc.,
- Premium pay components authorizations for special pay (such as establishment of Special License Pay and Value Added Pay in the Trades), rates of special pay (such as increases in Fire Team Pay and EMT-P pay), shift pay, etc., or
- Other features of compensation.

Other times, cyclical studies have confirmed existing pay structures, premium pay components or other features of compensation.

(2) In intervening years, the Airports Authority studies pay in less detail to recommend annual pay for performance funding, any pay scale adjustments indicated, and any other pay policy or system action that may be needed. Factors covered in an annual pay study typically include but are not necessarily limited to (a) economic indicators, focusing on wages, prices, employment and other data – such lagging, coincident and leading indicators as the Producer Price Index

(PPI), the Consumer Price Index (CPI), the Employment Cost Index (ECI), unemployment rates, the Consumer Confidence Index (CCI), actual or projected private and public sector pay increases, factory orders and housing starts, (b) industry issues and (c) Airports Authority issues.

(3) The Airports Authority conducts special pay studies whenever they are needed. Special pay studies usually focus on special compensation issues and/or specific occupations. Market pay sources used vary and typically include special sources as pertinent to the issue or group being studied; example: airports are the key source of market data for such airport-specific families and groups as the Airport/Aviation job family and the Rates and Charges job group.

Using this integrated system of major pay studies, as well as individual market pricing studies, the Airports Authority is able to keep its pay rates and pay policies sound and effective. The Compensation Department normally conducts or manages pay studies for the Airports Authority.

The Compensation Department reports findings of individual market pricing studies (and concurrent job evaluation studies) to managers and affected employees; union officials are informed when jobs in bargaining units are studied. The Compensation Department briefs management officials and, as applicable, union officials, and publishes formal reports of its cyclical and special pay studies. The Compensation Department briefs management officials on its annual studies (reviews) of pay. Typically, there is no published report of the annual review. The Compensation Department sends a Report to Participants in a cyclical or special pay study when the study includes a custom survey of other employers.

#### **New Hire Pay-Setting:**

#### In brief

Vice presidents set or recommend base pay (salary) rates for new hires in their own offices. The office vice president, the Vice President for Human Resources, or the Executive Vice President and Chief Operating Officer (or the President and Chief Executive Officer, as pertinent to the reporting relationship) makes the final pay-setting decision based on the following authorities, which are linked to quartiles of official pay schedules:

- Vice president over the position being filled has authority to set new hire pay up to and including the start of the second quartile,
- Vice President for Human Resources has authority to set new hire pay above the start of the second quartile up to and including the start of the third quartile, and
- Executive Vice President and Chief Operating Officer, or the President and Chief Executive Officer, depending on the reporting relationship of the recommending vice president, has retained authority to set new hire pay above the start of the third quartile.

The Compensation Department is often asked to review recommendations for new hire paysetting to facilitate cost control, equity and appropriateness.

#### In detail

Each vice president has authority to set new hire pay within his/her own office up to and including the beginning rate of the second quartile. Setting pay above this rate requires approval of another official – see In brief above or Pay Administration versions of official pay schedules for specific pay-setting authorities. When the pay rate requested is beyond the vice president's authority, he/she is to request approval. The Vice President for Human Resources may send a new hire pay-setting request to the Compensation Department for review and comment. The Compensation Department provides written comments, a conclusion and a recommendation on each such request, covering the following factors to facilitate cost control, equity and appropriateness:

- Human Capital (Education, Experience, Training, Licenses and Certifications) and Salary History,
- Internal Alignment,
- Geographical Information,
- Bonus/Relocation/Other Incentive (if any), and
- Miscellaneous Information (if any directly or indirectly related to compensation).

#### **Promotional Pay-Setting:**

#### In brief

Promotions are generally recommended by line management, and typically result in a ten percent increase to base pay. There are two kinds of promotions: regular and temporary. A temporary promotion typically takes place when an employee is identified to temporarily execute the duties and responsibilities of a vacant, higher level job while the Airports Authority conducts a search to fill the vacancy on a continuing basis. Once a candidate has been hired or promoted into that job, the employee temporarily promoted is returned to his/her original job and his/her previous salary. A temporary promotion is to be accompanied by a "Not To Exceed" (NTE) date to limit the temporary status.

#### In detail

Promotional pay increases (to base pay) are ten percent, or the minimum rate of the new grade, for all jobs/pay groups, except Students: Salaried (S), Trades (T), Police (P), Fire (F) and Public Safety Civilians (PS). Increases are based on the employee's continuing (regular, fixed) rate of base pay, not a temporary rate of base pay (as held during a temporary promotion, for example). The employee receives the higher of (a) the minimum rate of the new grade or (b) a ten percent increase in base pay up to and including (i.e., limited by) the maximum rate of the new pay range.

A non-temporary promotional pay increase is only to occur when an employee moves to a higher grade through competitive personnel action, such as (a) selection for a higher grade position through merit promotion procedures (this includes selection for a bona fide career ladder, where movements up the ladder are covered by selection for placement in the ladder) or (b) position/job

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upgrade. However, a special pay policy may be emplaced for large-scale upgrades or special position/job upgrades as it was for Project 2000; for example, promotional pay increases did not apply to upgrades resulting from Project 2000 (implemented January 22, 1995).

This current promotional pay-setting policy applied to regular and temporary promotions of Salaried employees (only) at Transfer (June 7, 1987). It was applied to employees in other jobs/pay groups later; other rules had applied to employees in these other groups because they were in "step" systems that do not correspond arithmetically to this type of pay policy.

This pay policy has been extended to Detail with Pay, a pay status that is non-competitive.

*Updated* 7-12-11