

Human Resources

2 **AP 7130 COMPENSATION**

3 **References:**

4 Education Code, Sections 87801 and 88160;
5 Government Code, Sections 1340, 53200
6 U.S. Department of Education regulations on the Integrity of Federal Student
7 Financial Aid Programs under Title IV of the Higher Education Act of 1965, as
8 amended

9 **Contract Management Employees**

10 The Board of Trustees will establish and maintain a contract with the President/
11 Superintendent which sets forth the provisions of salary, compensation, and health and
12 welfare benefits.

13 The Board of Trustees will establish and maintain a Contract Management Salary
14 Schedule. Contract Management Employees, excluding the President/Superintendent,
15 will receive compensation based upon the Contract Management Employee Salary
16 Schedule. The Board of Trustees will also establish and maintain contracts with Contract
17 Management Employees which include salary provisions and health and welfare benefits.

18 **Management Team Employees**

19 The Board of Trustees will establish and maintain a Management Team Salary Schedule.
20 The Human Resources Office will maintain salary schedules, salary schedule provisions,
21 and health and welfare benefits at the direction of the Board of Trustees. The Board of
22 Trustees will also establish and maintain contracts with Management Team Employees
23 hired after July 1, 2017, which include salary provisions and health and welfare benefits.

24 **Faculty Employees**

25 Faculty salary schedules, salary schedule provisions, and health and welfare benefits will
26 be established and maintained in the collective bargaining agreement.

27 All faculty employees will be paid and receive benefits in accordance with the terms and
28 conditions of the negotiated agreement.

29 **Classified Employees**

30 Classified salary schedules, salary schedule provisions, and health and welfare benefits
31 will be established and maintained in the collective bargaining agreement.

32 All classified employees will be paid and receive benefits in accordance with the terms
33 and conditions of the negotiated agreement.

34 **Confidential Employees**

35 The Board of Trustees will establish and maintain a Confidential Salary Schedule. The
36 Human Resources Office will maintain salary schedules, salary schedule provisions, and
37 health and welfare benefits at the direction of the Board of Trustees.

38 **Child Development Center and Short Term Hourly Employees**

39 The Board of Trustees will establish and maintain Salary Schedules for Child
40 Development Center and Short Term Hourly employees. The Human Resources Office
41 will maintain salary schedules, salary schedule provisions, and health and welfare
42 benefits as applicable at the direction of the Board of Trustees.

43 **General Employee Provisions**

44 The term “workday” or “working days” means a day when the Office of the
45 President/Superintendent is open for business except as defined in other Board Policies.

46 Salary Warrant Errors

47 Whenever it is determined that a District error has been made in the calculation or
48 reporting in any employee's payroll or in the payment of any employee's salary, the District
49 shall provide the employee with a statement of the correction and a supplement payment
50 normally within five (5) working days of such determination. The employee shall provide
51 written notification to the Payroll Department of any alleged errors. A salary warrant error
52 resulting in an overpayment for an employee shall be corrected and subsequent salary
53 warrant(s) reduced accordingly after the District provides written notification to said
54 employee.

55 Lost Salary Warrants

56 If an employee: a) loses a salary warrant after receipt, b) fails to receive a salary warrant
57 within ten (10) workdays of the date of mailing, or c) fails to cash a salary warrant within
58 six (6) months of the issuance date, said employee shall immediately notify the Payroll
59 Department and as soon as administratively practicable a new salary warrant shall be
60 issued. The District shall charge said employee for the actual and necessary expense of
61 reissuing a warrant in cases of the loss of a salary warrant or failure to cash a salary
62 warrant within the time period specified above.

63 Quarantine

64 All employees may receive salary in full when quarantined by city or county health officials
65 because of another's illness.

66 **Notification of Change of Name, Address, and Telephone Number**

67 Upon employment, each employee shall provide the Human Resources Office,
68 his/her/their correct residence address, and, if different, his/her/their correct mailing
69 address and telephone number. Changes of employee name, street and/or post office

70 box, address, and telephone number shall be reported in writing to the Human Resources
71 Office within ten (10) working days of the change.

72 **Tax Sheltered Annuities (No District Financial Interest)**

73 The District shall make available to its employees tax sheltered annuities and insurance
74 benefits provided in Section 770.3 of the California Insurance Code as it relates to Section
75 403 (b) of Public Law 87-370 of the U.S. Internal Revenue Code, Section 17512 of the
76 California Revenue and Taxation Code, and Section 20022 of the Government Code.
77 This policy shall apply only to those annuities and insurance purchased by employees of
78 the District in which the District has no financial interest.

79 The placing of such tax sheltered annuities and insurance for District employees shall not
80 be restricted to a particular agent, broker, or company; however, only those agents,
81 brokers, or companies who meet the eligibility requirements of the District shall be
82 permitted to participate in the selling of tax sheltered annuities or insurance to employees
83 through payroll deductions.

84 While genuinely desirous of making available to all its employees all of the advantages
85 lawfully due them under federal and state income tax and retirement laws, the Board of
86 Trustees cannot and does not place itself in the position of advising its employees as to
87 their personal federal or state income tax or retirement programs or guaranteeing to them
88 in any way that their participation in any tax sheltered annuity program incident to their
89 employment relationship with the District will result in any actual benefit to them.

90 District employees who wish to participate in any tax sheltered annuity program incident
91 to their employment relationship with the District should individually or in concert with
92 those persons or employee organizations who they regard as personal tax or insurance
93 counselors, carefully and fully evaluate the impact of their net salary payment,
94 contemplated retirement benefits, present and future federal and state income taxes, and
95 other aspects of their personal financial position and planning, which might occur incident
96 to their participation in any tax sheltered annuity program.

97 All full-time employees and/or employees under a collective bargaining agreement of the
98 District shall be given the opportunity of entering into an amendment of his/her/their
99 contract of employment for the purpose of effecting a reduction in his/her/their salary by
100 allocation of a legal portion thereof to a tax sheltered annuity. For each employee who
101 voluntarily elects to accept such reduction in salary for tax sheltered annuity purposes,
102 the District will deposit the stipulated amounts with (1) the California State Teacher's
103 Retirement System or any other State retirement system authorized by law, or (2) a
104 District approved commercial insurance company, whichever is the preference of the
105 employee. The amount deposited shall be equal to the amount of salary reduction
106 authorized by the employee, and it shall be the responsibility of the employee and the
107 insurance company to verify that the salary reduction does not exceed amounts
108 authorized by law (Section 403 (b) of Public Law 87-730 and other applicable law).

109 Each employee who requests to participate in any tax sheltered annuity program herein
110 authorized shall agree, as a condition precedent to such participation, that this District
111 shall in no way be liable to him/her/them or his/her/their successors for any money
112 damage which might arise from the federal and state tax consequences or State
113 retirement consequences of his/her/their participation in any tax sheltered annuity
114 program incident to his/her/their employment relationship with the District, and consistent
115 therewith, he/she/they shall agree to save and hold harmless this District from any such
116 money charges.

117 **Prohibition on Incentive Compensation**

118 The District shall not provide any commission, bonus, or other incentive payment based,
119 directly or indirectly, on the success in securing enrollments or financial aid, to any person
120 or entity engaged in any student recruiting or admission activities or in making decisions
121 regarding the award of student financial assistance. Employees covered by this ban shall
122 be referred to as “covered employees” for purposes of this policy.

123 Contract management employees who are only involved in the development of policy and
124 do not engage in individual student contact or the other activities covered by the
125 prohibition of incentive compensation will not generally be subject to the ban.

126 The management team and employees who are only involved in the development of
127 policy and do not engage in individual student contact or the other activities covered by
128 the prohibition of incentive compensation will not generally be subject to the ban.

129 The President/Superintendent or designee shall identify any covered employees of the
130 District and determine whether the District’s compensation arrangements comport with
131 the prohibition on incentive compensation, and to the extent that they do not, make
132 necessary modifications to comply. Similarly, the President/Superintendent or designee
133 shall identify any covered service providers, evaluate whether the contract pricing
134 structure is consistent with the prohibition on incentive compensation, and if not,
135 determine what modifications the District can make to any applicable contract.

136 Office of Primary Responsibility: Vice President, Human Resources

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