

**STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION
PROCEDURE**

PROCEDURE NUMBER: 8-2-110.2

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TITLE: COMPENSATION PLAN FOR CLASSIFIED
PERSONNEL

**POLICY
REFERENCE NUMBER:** 8-2-110

**DIVISION OF
RESPONSIBILITY:** Human Resource Services

DATE OF LAST REVISION: July 9, 2020

DISCLAIMER

PURSUANT TO SECTION 41-1-110 OF THE CODE OF LAWS OF SC, AS AMENDED, THE LANGUAGE USED IN THIS DOCUMENT DOES NOT CREATE AN EMPLOYMENT CONTRACT BETWEEN THE EMPLOYEE AND THE SC STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION/THE SC TECHNICAL COLLEGE SYSTEM. THE STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION/THE SC TECHNICAL COLLEGE SYSTEM RESERVES THE RIGHT TO REVISE THE CONTENT OF THIS DOCUMENT, IN WHOLE OR IN PART. NO PROMISES OR ASSURANCES, WHETHER WRITTEN OR ORAL, WHICH ARE CONTRARY TO OR INCONSISTENT WITH THE TERMS OF THIS PARAGRAPH CREATE ANY CONTRACT OF EMPLOYMENT.

This procedure establishes guidelines for the administration of the uniform pay plan applicable to all classified personnel in the South Carolina Technical College System (SCTCS). The South Carolina Department of Administration's Division of State Human Resources (DSHR) delegates authority for pay actions to the System/College Presidents upon written agreement. All proposed pay actions shall be reviewed by System Office/college human resources staff to ensure that requested pay actions are sufficiently justified, documented, and in compliance with all applicable procedures. All delegated pay actions are subject to audit by DSHR. DSHR reserves the right to withdraw delegation authority based upon audits that reveal deficient areas.

Colleges will administer the uniform pay plan consistent with provisions of their delegated authority in accordance with the Higher Education Efficiency and Administrative Policies Act (HEEPA) and the State Board for Technical and Comprehensive Education (SBTCE) policies and procedures. Non-delegated pay actions must be submitted through the college's human resources office to the System Office for review and evaluation prior to submission to DSHR for consideration. The System Office shall serve as the college's liaison/facilitator for non-delegated pay actions with DSHR.

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The South Carolina Constitution restricts any retroactive payment of salary increases. Therefore, approval of requested pay actions must be accomplished prior to the desired effective date of the action.

It is expected that each college will develop internal policies, procedures, or guidelines stating how the college's pay plan will be administered in keeping with the procedure.

A. EMPLOYMENT RATES

1. Hiring at the Minimum

An employee who is given an original appointment and who meets the minimum requirements for the class to which appointed shall be paid at least the minimum rate for that class.

2. Hiring Above the Minimum

- a. Exceptional Qualifications - The System/College President may consider establishing a starting salary above the minimum of the pay band for an individual, not currently employed in an FTE capacity within state government, who possesses training and/or experience which exceeds the SCTCS minimum requirements for a class. Normally, the method for establishing a starting salary above the minimum is to evaluate the individual's qualifications and determine those that are directly related to the requirements of the position. Consideration of increments up to 5% for each year the individual exceeds the state's minimum requirements may be used when determining an appropriate salary. When determining the appropriateness of awarding a salary above the minimum, internal equity must be taken into consideration. Factors such as past recruiting difficulties and identified market conditions may be considered as exceptional circumstances warranting deviation from the general rule. System Office requests to establish a starting salary in excess of the midpoint of the respective pay band must be in writing and submitted to DSHR for consideration.
- b. Special Hire Rate - Based on written justification submitted by the System Office, DSHR may approve a special hire rate when experience has shown that recruitment of qualified applicants for selected positions in a class has not been possible at the minimum of the pay band.

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B. PREMIUM PAY

1. Shift Differential – DSHR may approve the payment of a shift differential for classifications of employees assigned to an evening, night, weekend, rotating, or split shift, provided that the majority of hours assigned during the shift are other than 8:00 a.m. to 5:00 p.m. Monday through Friday. When an employee is assigned to a shift for which a differential has been approved, the following rules for granting differential pay shall apply:
 - a. Any request to pay shift differentials must be in writing and must indicate the class(es) for which the differential is being requested, the hours of the shifts involved, the amount of differential being requested, and all applicable documentation in support of the request.
 - b. An employee assigned to a rotating shift, a split shift, or who rotates shifts, shall be paid the shift differential only when working the specific shift for which a differential has been approved.
 - c. The pay of the employee in the position shall be adjusted by the amount approved, even if such amount increases the employee's salary above the maximum of the pay band for the class.
 - d. Such increases shall not affect the employee's eligibility for any other salary increases.
 - e. If the position is reassigned to a shift for which a differential has not been approved or if the employee is removed from the position, the employee's salary shall be reduced by the amount of the shift differential.
 - f. The shift differential approved shall be stated as an hourly amount or as the percentage of the minimum of the pay band for the class affected, whichever is determined by DSHR to be applicable.
 - g. Shift differentials may be approved for a specific class on a regional or local basis when it is determined by the State Division of Human Resources that local or regional economic conditions or other pertinent factors justify such an approach.
 - h. Shift differential pay will not be paid to employees who are assigned to a rotating shift, split shift, or who regularly rotate shifts while they are in leave without pay status. Employees who are normally assigned to an evening shift or a night shift and receive shift differential pay will continue to receive that pay while in a paid leave status.

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- i. In extenuating circumstances, the State Division of Human Resources is authorized to approve exceptions to these regulations regarding shift differential.
2. On-Call Pay - On-call pay is pay by the employing agency for an employee to remain available to return to work within a specified period of time. DSHR must approve "on-call" pay status for employees.
3. Call Back Pay - Call back pay is pay by the employing agency for an employee to report to work either before or after normal duty hours to perform emergency services. The System/College President shall determine which groups of employees shall be subject to "call back." Nonexempt employees shall be compensated for hours worked as a result of a "call back" at their regular hourly rate plus any shift premium to which they might be eligible and such time shall be counted in computing any overtime that may be due. In the event it becomes necessary for an employee to be called back for emergency services and the services rendered require less than two (2) hours on the job, or in the event no work is available when he/she reports, a minimum of two (2) hours work time shall be credited. An employee shall not be credited with nor paid for "call back" time if:
 - a. the recall to work ("call back") has been canceled and the employee received notice in advance not to report to work, or;
 - b. the employee refuses alternate work that is offered upon reporting to work.
4. Special Assignment Pay - DSHR may approve additional compensation to an employee for periods of time when he/she is on special assignment if circumstances warrant such approval based on guidelines established by DSHR.
5. Market or Geographic Differential Pay - DSHR may approve market or geographical differential pay for an employee for periods of time when circumstances warrant such approval.
6. Bonuses - The General Assembly has authorized various programs through which agencies may award bonuses to employees. Agencies shall comply with guidelines established by the Department of Administration in the administration of bonus programs.

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C. SALARY INCREASES

1. Legislative Increases - General and Merit Increases shall be provided to employees in accordance with the provisions of the annual Appropriations Act.
2. In-band Salary Increases - Written justification for awarding in-band salary increases shall be maintained by the individual college, Human Resource Services or DSHR. An employee's salary may be increased within his/her current pay band for the following reasons:
 - a. Performance Increase - The System Office/college may increase an employee's salary based upon performance in accordance with §8-1-160 of the South Carolina Code of Laws. Such increase shall be determined by the System Office/college. A performance increase shall not place an employee's salary above the maximum of the pay band.

Each entity of the SCTCS shall:

- 1) establish internal procedures for the administration of a performance increase program;
- 2) identify specific exceptional performance rationale;
- 3) determine the amount of increase to be awarded; and
- 4) designate resources within their existing budget to adequately fund the awarding of performance increases.

While an official performance appraisal is not required, the granting of a performance increase may be based upon performance related criteria.

- b. Additional Skills/Knowledge Increase - The System/College President may recognize employees who gain additional skills and/or knowledge that relate directly to their job. The increase may not place the employee's base salary above the maximum rate of the pay band. Individual colleges and the System Office must develop guidelines that stipulate required knowledge and skills associated with appropriate pay increases. Additional technical skills to keep up with current technology or knowledge required to maintain current job responsibilities are not to be considered in this plan. Individual colleges and the System Office must develop internal procedures to ensure that additional

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skills/knowledge increases are awarded consistently and equitably among all eligible employees. A clear description of the specific skills and/or knowledge being recognized should accompany approval documentation, as well as a detailed explanation of the way in which the additional skills and/or knowledge are applicable to the job. System Office requests to award increases in excess of 15% must be in writing and submitted to DSHR for consideration.

- c. Additional Job Duties and/or Responsibilities Increase - The System/College President may grant an in-band increase when an employee is assigned significant and/or substantial additional job duties and/or broader responsibilities, either within his/her current position or another position in the same pay band within the SCTCS. The increase may not place the employee's base salary above the maximum rate of the pay band. System Office requests to award increases in excess of 15% must be in writing and submitted to DSHR for consideration. Should the additional job duties and/or responsibilities be taken away from the employee within six (6) months of the date that the salary increase is awarded, the salary may be reduced up to the amount of the additional job duties and/or responsibilities increase.
- d. Transfer Increase - The System/College President may grant an increase when an employee from another state agency (not within the SCTCS), accepts a position in a comparable salary range as his/her current position provided the increase does not place the employee's base salary above the maximum of the pay band. System Office requests to increase an employee's salary in excess of 15% must be in writing and submitted to DSHR for consideration.
- e. Retention Increase - The System/College President wishing to retain the services of an employee in his/her current position may grant an in-band increase of up to 15% for the purpose of retention, provided such increase does not place the employee's base salary above the maximum rate of the pay band. A bona fide job offer, verified and documented (by the System Office/college), must come from another employer, either within (not within the SCTCS) or outside of state government. Increases in excess of 15% may be considered in cases where an attempt to counter a bona fide job offer from an employer outside of state government exists. System Office requests to award increases in excess of 15% must be in writing and submitted to DSHR for consideration. An employee shall receive no more than one (1) retention increase in a twelve (12) month period.

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3. Salary Increases Resulting from Upward Band Changes - An employee's salary may be increased as a result of movement to a higher pay band for the following reasons:
 - a. Promotional Increase
 - 1) Upon promotion, the employee's salary shall be increased at least to the minimum rate of the pay band to which promoted.
 - 2) Upon promotion, a college employee's salary may be increased up to the maximum of the new pay band. A System Office employee's salary may be increased by up to 15% or up to the midpoint of the new pay band, whichever is greater and shall not place the employee's base salary above the maximum rate of the new pay band. Exceptions must be in writing and submitted to DSHR for consideration.
 - 3) Upon promotion, an employee's performance review date shall be re-established in accordance with State Human Resources Regulations.
 - b. Reclassification Increase
 - 1) When an occupied position is reclassified to a class having a higher minimum and maximum salary, the employee's salary shall be increased to at least the minimum rate of the pay band of the class to which reclassified.
 - 2) Upon reclassification, a college employee's salary may be increased by up to the maximum of the new pay band. A System Office employee's salary may be increased by up to 15%, provided such increase does not place the employee's salary above the maximum rate of the new pay band. System Office requests to award increases in excess of 15% must be in writing and submitted to DSHR for consideration.
 - 3) Upon reclassification, an employee's performance review date shall be re-established in accordance with State Human Resources Regulations.

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c. Reallocation Increase

When DSHR reallocates a class to a higher pay band, the following procedures for granting pay adjustments shall apply:

- 1) Employees in classes that receive band reallocations shall receive salary increases resulting from such reallocations in order to bring the base salary of employees at least to the new minimum salary for the class.
- 2) Employees in classes that receive band reallocations may receive up to 15% salary adjustments provided such increases do not place an employees' salary above the maximum rate of the new pay band. Salary adjustments shall be based upon the employee's base salary prior to the upward reallocation.
- 3) A reallocation increase shall not affect an employee's performance review date.

d. Downward Reclassification or Appointment to a Position in a Lower Pay Band

Employees are not eligible to receive salary increases upon downward reclassification or upon appointment to a position in a lower pay band.

e. Effective Dates of Salary Increases

The effective date of all salary changes provided for in this procedure shall be as follows:

- 1) Legislated Performance Pay Increase - When prescribed by the annual Appropriations Act and the State Employee Pay Plan, legislated performance pay increases shall be effective no earlier than the date the action is approved by the appropriate authority.
- 2) In-Band Increase - The following in-band increases shall be effective no earlier than the date the action is approved: performance increase, additional skills/knowledge increase, additional job duties and/or responsibilities increase, transfer increase, and retention increase.
- 3) Promotional and Reclassification Increase - A promotional increase or a reclassification increase shall be effective no earlier than the date the promotion or reclassification is approved.

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- 4) Reallocation Increase - A reallocation increase shall be effective no earlier than the date the reallocation action is approved by DSHR.
 - 5) Concurrent Increases
 - a) In instances where general increases and other salary increases are awarded on the same date, the general increase shall be effected prior to any other salary increases.
 - b) In instances where legislated performance pay increase and salary increases other than general increases are awarded on the same date, the legislated performance pay increase shall be effected prior to any other salary increases.
 - 6) In the case of budgetary limitations, DSHR may approve exceptions regarding the effective date of salary increases based on written justification.
4. Return from Leave Without Pay
- An employee who has returned from an authorized leave of absence without pay shall be paid at the same rate being paid at the time leave was granted, except that the employee shall be granted any legislative general increases and salary increases resulting from adjustments made in the pay range during the employee's leave of absence. In determining the amount of adjustment that the employee shall be granted, the same implementation instructions that applied to all employees in that class shall be followed.

D. SALARY DECREASES

1. Written justification for effecting any salary decrease shall be maintained by the college and/or Division of State Human Resource. An employee who is presently receiving longevity pay and who experiences a salary decrease shall continue to receive any longevity amounts previously granted.
2. In-Band Salary Decreases - An employee's performance review date does not change as a result of an in-band decrease. An employee's salary may be decreased within his/her current pay band for the following reasons:
 - a. Performance Decrease - The System/College President may decrease individual salaries based upon performance in accordance with Section §8-1-160 of the South Carolina Code of Laws. Such decreases shall be determined at the

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System Office/college. Performance decreases may not place an employee's salary below the minimum of the pay band. Performance decreases shall be based on the results of an EPMS evaluation. Such decreases in salary are grievable and appealable as provided by the State Employee Grievance Procedure Act and as referenced in SBTCE Procedure #8-6-100.1.

- b. Removal of Additional Job Duties and/or Responsibilities - Should the additional job duties and/or responsibilities which justified an additional duties and/or responsibilities increase be taken away from an employee within six (6) months of the date that the salary increase was awarded, the salary may be reduced by up to the amount of additional job duties and/or responsibilities increase. Salary decreases based on removal of additional job duties and/or responsibilities are not grievable or appealable.
- c. Assignment of Lower Level Responsibilities
 - 1) Voluntary Reasons - An employee who is voluntarily assigned lower level responsibilities or moved to a position in his/her current pay band with lower level responsibilities than his/her current position, may, at the discretion of the System/College President be paid at any rate within the pay band provided the rate is equal to or below the current salary and provided the employee signs a written statement indicating agreement to the salary decrease. Salary decrease documentation, to include the employee's signed statement, must be maintained on file at the System Office/college human resource office.
 - 2) Involuntary Reasons - A covered employee who is involuntarily assigned lower level responsibilities or moved to a position in his/her current pay band with lower level responsibilities than his/her current position, shall not have his/her salary reduced for a period of six (6) months from the date of the action unless an exception is approved by the Department of Administration. Upon the expiration of the six (6) months period, the System/College President may reduce the employee's salary by up to 15% or to the midpoint of the pay band or any point in between, whichever is lower. An employee exempt from the State Employee Grievance Procedure Act, who is involuntarily assigned lower level responsibilities, may have his/her salary reduced no more than 15% or to the midpoint of the pay band, whichever is lower, immediately following the assignment of lower level responsibilities. If the employee's salary is allowed to remain above the maximum rate of the pay band, the employee shall not be eligible for pay increases unless:

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- a) subsequent pay adjustments establish the maximum of the pay range above the employee's rate of pay; or
 - b) the employee is subsequently promoted or reclassified and his/her current rate of pay is below the maximum for the class to which promoted or reclassified.
3. Salary Decreases Resulting from Downward Band Changes - An employee's salary may be decreased as a result of movement to a lower pay band for the following reasons:
- a. Demotion and Downward Reclassification Decreases
 - 1) Voluntary Reasons - An employee who voluntarily has his/her position reclassified to a class with a lower pay band or is voluntarily demoted to a position in a lower pay band, may, at the discretion of the System/College President be paid at a rate equal to or below the current salary. However, the rate must be within the lower pay band and the employee must sign a written statement indicating agreement to the salary decrease. Salary decrease documentation, to include the employee's signed statement, must be maintained on file at the System Office/college human resource office.
 - 2) Disciplinary or Performance Reasons - An employee who, as the result of a disciplinary action, has his/her position reclassified to a class with a lower pay band or is demoted to a position in a lower pay band, may, at the discretion of the System/College President be paid at a rate equal to or below the current salary. However, the rate must be within the lower pay band.
 - 3) Involuntary or Non-disciplinary Reasons - When a covered employee is demoted due to involuntary or non-disciplinary reasons or when an occupied position is reclassified to a class having a lower minimum and maximum salary for these reasons, the employee's salary shall not be reduced for a period of six (6) months from the date of the demotion or downward reclassification unless an exception is approved by the Department of Administration. Upon the expiration of the six month (6) period, the System/College President may reduce the employee's salary by up to 15% or to the midpoint of the pay band for the lower class or any point in between, whichever is lower. An employee exempt from the State Employee Grievance Procedure Act, who is involuntarily demoted or downwardly reclassified, may have his/her salary reduced no more than

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15% or to the midpoint of the pay band, whichever is lower, immediately following the demotion or downward reclassification. If the employee's salary is allowed to remain above the maximum rate of the lower class, the employee shall not be eligible for pay increases unless:

- a) subsequent pay adjustments establish the maximum of the pay range above the employee's rate of pay; or
 - b) the employee is subsequently promoted or reclassified and his/her rate of pay is below the maximum for the class to which promoted or reclassified.
- 4) When the salary of an employee is not reduced and the employee is subsequently promoted or reclassified upward within six (6) months from the date of demotion or downward reclassification, the employee shall not be eligible for a promotion or reclassification increase unless the salary at the time of promotion or reclassification upward is below the minimum rate of pay for the class to which promoted or reclassified.
- 5) An employee who is promoted or reclassified upward and subsequently demoted or reclassified downward prior to attaining permanent status in a higher class shall have a reduction in pay as follows:
- a) When an employee is demoted or his/her position is reclassified to the same class or to a class with the same pay band held prior to promotion or reclassification, or to a class with a lower pay band, the employee's salary will be reduced by the amount previously received upon promotion or upward reclassification provided the salary will not exceed the maximum of the pay range for the class to which demoted or downwardly reclassified. The employee shall have a new performance review date established in accordance with State Human Resources Regulations.
 - b) When an employee is demoted or his/her position is reclassified downward to a class having a higher pay band than the original position, the employee's salary will be reduced by the amount previously received upon promotion or reclassification and his/her new salary and performance review will be established in accordance with State Human Resources Regulations.

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4. Downward Band Reallocation. When a class is reallocated to a lower pay band, the pay of an employee shall not be changed as a result of this action for a period of six (6) months from the date of the action unless an exception is approved by the Department of Administration. After the expiration of the six (6) month period, with the approval of the System/College President the employee's salary may be reduced no more than 15% or to the midpoint of the pay band, whichever is lower. If the employee's salary exceeds the maximum of the new pay band, the employee shall not be eligible for pay increases of any type unless one of the following situations applies:
- a) subsequent pay adjustments establish the maximum of the pay band above the employee's rate of pay, or
 - b) the employee is subsequently promoted and the rate of pay is below the maximum for the class to which promoted.

E. ONE-TIME LUMP SUM BONUS

The System/College President may award eligible classified employees in full-time equivalent positions a bonus not to exceed the amount specified in the current year General Appropriations Act. Bonuses may be paid through the use of state, federal, or other funds. Bonuses may be awarded to recognize the accomplishments and contributions of individual employees. Examples of appropriate reasons for awarding bonuses are:

- 1. contributions to increased organizational productivity;
- 2. development and/or implementation of improved work processes;
- 3. exceptional customer service;
- 4. realized cost savings; or
- 5. other specific contributions to the success of the organization.

Each college electing to award bonuses must develop a plan outlining the criteria, maintain such plan on file, and make the plan available to employees. Colleges must electronically report certain information regarding the awarding of bonuses to the System Office's Human Resource Services for use in complying with DSHR reporting requirements.

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F. SPECIAL SALARY ADJUSTMENTS

Colleges may award an increase for documented cases of substantial salary inequity among similarly situated employees, and other salary increases not otherwise covered in this procedure. The System Office may request DSHR Director to consider awarding an increase for documented cases of substantial salary inequity among similarly situated employees, and other salary increases not otherwise covered in this procedure. Comparisons shall be made with those internal and/or external positions/employees having similar functional responsibilities, authority, and accountability. Requests for awarding a special salary adjustment must include a written justification and a comparable analysis demonstrating the existence of a substantial salary inequity.

G. TEMPORARY SALARY ADJUSTMENTS

The System/College President may award a temporary salary adjustment for employees in covered FTE positions for situations such as assuming additional job duties and/or responsibilities not performed in their primary position. System Office requests for awarding a temporary salary adjustment in excess of 15% must be in writing and submitted to DSHR for approval prior to the requested effective date. Employees receiving a temporary salary adjustment shall be informed in writing that this situation is temporary in nature, that the temporary salary adjustment will not be added to their base salary, and that the temporary salary adjustment will be discontinued once the temporary situation is no longer effective. A temporary salary adjustment may allow an employee's salary to exceed the maximum of their respective salary range during the specified period of time approved by the System Office/college/DSHR. Normally, the specified period of time will not exceed one (1) year. System Office requests to extend a temporary salary adjustment must be approved by DSHR on or before the expiration of the previously approved time period.

**H. SECONDARY STATE EMPLOYMENT (DUAL EMPLOYMENT) AND
SECONDARY EMPLOYMENT OUTSIDE TECHNICAL EDUCATION SYSTEM**

The SCTCS adheres to SBTCE Policy #8-2-100 and Procedure #8-2-100.1, Secondary State Employment, and SBTCE Policy #8-7-101 and Procedure #8-7-101.1, Secondary Employment Outside Technical Education System, in all matters relating to dual employment and employment outside of state government. In matters of conflict of interest, SBTCE Policy #8-0-105, Ethics Requirements for Employees, provides appropriate guidelines.

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I. BUDGETARY CERTIFICATION

All requests to increase the salary for position(s) or employee(s) within the SCTCS shall be considered only when sufficient funds are available to meet the request. When reviewing pay actions not delegated to the SCTCS, DSHR Director may require submission of appropriate documentation attesting to the availability of funding.

ADDENDUM

MEMORANDUM OF UNDERSTANDING

In accordance with the Higher Education Efficiency and Administrative Policies Act of 2011 [HEEAPA], a separate classification and compensation system for Higher Education has been developed. (See attached list of titles approved by the Budget and Control Board on May 17, 2013¹). The South Carolina Budget and Control Board's State Human Resources Division (SHRD)² and the (the institution) agree to the following:

I. Delegation of Classification and Compensation Authority

HEEAPA authorized establishment of a uniform compensation and classification plan among the public institutions of higher learning and technical colleges. Based upon the establishment of that plan by the Budget and Control Board at its meeting on May 17, 2013, SHRD and the institution agree that:

1. SHRD delegates all classification and compensation actions under State Human Resources Regulations 19-702.03(B)(7) relating to equivalencies approved by the State Human Resources Director; 19-702.05 relating to Reclassification of Positions; 19-705.03 through 19-705.08 relating to Hiring Salaries, Salary Increases, Salary Decreases, Salary Adjustments, Compensation not Included in Base Salary, and Effective Dates of Salary Changes; and 19-706.04 through 19-706.06 relating to Hiring Salaries, Salary Increases, and Salary decreases for Employees in Unclassified Positions; Compensation not Included in Base Salary; and Effective Dates of Salary Changes, excluding those actions approved by the Budget and Control Board. This delegation does not affect any other actions than those approved by the State Human Resources Division.
2. Attorney General Office's approval is still required for all attorney actions.
3. Maintenance of Documents: The institution is responsible for maintaining current position descriptions reflecting essential and marginal function designations, percentages of time spent on each duty, and all required approvals.
4. Reporting Requirements: The institution is responsible for ensuring that accurate information is entered into HRIS and SCEIS in a timely manner.

II. Auditing of Classification and Compensation

HEEAPA required necessary accountability to the Budget and Control Board concerning the separate, comprehensive human resources system for the public institutions of higher learning and technical colleges. In addition, the HEEAPA committee's recommendations stated, in part: "Ensure appropriate accountability to the Budget and Control Board through the continued role of the State Human Resources Division, data reporting requirements, and continued emphasis on auditing by SHRD." To accomplish that auditing:

¹ For a complete listing of approved titles, refer to the website: https://www.admin.sc.gov/dshr/class_compensation.

² The South Carolina Budget and Control Board's State Human Resources Division (SHRD) current name change to affect in 2013 and is currently named the Department of Administration Division of State Human Resources (DSHR).

ADDENDUM

A. SHRD shall:

1. Give advance notice to the institution of an upcoming audit and collect any necessary preliminary data.
2. Review actions through auditing activities and conduct an entrance interview with the institution designee(s) responsible for monitoring classification delegation activities to explain audit purpose and methodology.
3. Conduct an exit interview with the institution designee(s) to discuss audit findings and respond to any questions or concerns. Provide the institution director, human resources director, and, upon request, the General Assembly a written report of audit findings and recommendations.
4. Provide additional training if requested and if audit findings reveal deficiencies.
5. Conduct an on-site follow-up audit at a predetermined date after notifying the institution of any deficiencies.

B. The institution shall:

1. Develop internal procedures for the review and documentation of requests.
2. Maintain a copy of this memorandum of understanding and all related correspondence.
3. Maintain proper documentation of each classification action to include the following:
 - i. classes are being used as defined
 - ii. essential and marginal functions are identified
 - iii. percentages of time spent on each duty are noted
 - iv. the appropriate coding and approvals
4. Ensure equity and fairness in hiring practices, classification of positions, and in awarding temporary salary adjustments.
5. Ensure each action is approved by the appropriate authority on or prior to the action becoming effective.
6. Assess results of audit reports and provide comments to SHRD.
7. Correct any deficiencies noted in audit findings within a predetermined date of receipt of the audit report.

ADDENDUM

SHRD reserves the right to revoke parts or all rights of this Memorandum of Understanding if audit reveals deficient areas.

This agreement is effective upon receipt of all required signatures.

President

Date

Agency Human Resources Director

Date

State Human Resources Director

Date