

IV. COMPENSATION

A. POLICY

AURA is an Affirmative Action/Equal Opportunity employer. As such, it is the policy of AURA that employees receive equivalent pay for work of equivalent knowledge, skill, ability, seniority, internal equity, performance responsibility and/or working conditions. Compensation management is delegated to the AURA site Human Resources Office to ensure fairness, equity and regulatory compliance and the AURA Center/Site Director or designee. It is AURA policy that total compensation, including awards and bonuses, is competitive and equitable. Subject to any limitations set forth in AURA's contractual obligations, it is the policy of AURA that, in determining position titles and compensation schedules, AURA shall endeavor to:

- Maintain pay levels that are competitive in relevant job markets;
- Attract, motivate, develop, and retain the highly competent employees necessary to achieve AURA's goals;
- Ensure compliance with laws and regulations; and,
- Provide opportunities for performing overtime work, earning bonuses or otherwise earning increased compensation without regard to race, color, national origin, religion, age, sex, disability, pregnancy, sexual orientation, gender identity/gender identity expression, veteran status or other protected classifications.

It is the policy of AURA to review the competitiveness of its pay practices on an annual basis. AURA Human Resources is responsible for ensuring that all jobs in AURA are defined and documented by a Position Description. The description will include a current representation of essential responsibilities, duties, and requirements for the position. Each AURA Center/Site will adopt such procedures and processes necessary to execute this policy.

B. Position Descriptions

Each job is described with a summary of the essential functions and requirements of the job.

Job information is obtained directly from the manager and/or the incumbent in the position. Whenever a new job is established or an existing job changes significantly, the supervisor of the area concerned is responsible for notifying AURA Center/Site Human Resources and assisting in developing a new or revised functional description.

C. Job Pricing

Human Resources works with supervisors to evaluate jobs in each supervisor's activity area. Survey data is analyzed to determine the external value of jobs or their "market price." Jobs with similar market values are generally placed within the same range of pay.

All jobs are assigned to a grade and pay range which has a midpoint closest to the prevailing rate being paid for that job, or the most similar job, in the market.

Compensation equity is a requirement of AURA's affirmative action compliance. To ensure equity, position evaluations, placements and salaries are established and approved by AURA Center/Site Human Resources, in consultation with appropriate management, to ensure equitable and fair pay for equivalent work and compliance with affirmative action guidelines. Exceptions must be approved by the AURA Center/Site Director and must be fully documented.

D. Compensation Range Structure

AURA, in establishing salary ranges, measures actual pay rates against relevant positions in the market. In order to make this comparison, AURA utilizes a number of salary surveys for each staff category. Under this method, the labor market rate for a given job is most often the prevailing factor considered in determining the salary range for a job. To maintain internal equity, a comparison of the salary range of internal positions with similar responsibilities may also be used. Surveys are selected based on the appropriateness of the participating organizations and the positions included in the review.

AURA salary ranges state the minimum and maximum salaries that can be paid for the positions within each grade.

- Salary ranges for the Center Directors are recommended by the President, and approved by the AURA Board.
- Ranges for scientific positions are established by the AURA Corporate Office in conjunction with AURA Human Resources and are based on annual surveys of AURA member universities, and other appropriate market data. Statistical data and recommendations for salary grades/ranges relating to the science staff shall be consistently applied and agreed upon by all of AURA.
- Ranges for non-scientific positions are established by AURA Center/Site management in conjunction with Human Resources and are based on annual review and analysis conducted by Human Resources and are reviewed and approved by the appropriate AURA Center/Site Director, or designee. Salary ranges for non-scientific positions are generally set for the local/regional market and may vary by location.
- Ranges may be subject to approval by the Contracting Agency.
- Salaries above the maximum of a salary range, either at hire or at any other time of employment, require the review and approval of the AURA Center/Site Director, or designee, and may be subject to review and approval by the AURA President
- When salary ranges are adjusted upward, there are no general or “across the board” increases.

E. ANNUAL COMPENSATION REVIEW

The AURA Center/Site Directors shall report their annual compensation plans to the respective Management Councils. The report is timed to coincide with the annual merit increase process set for each Center/Site under their respective contract. The Management Councils shall review the compensation plans and upon appropriate action, then inform the Board of Directors of the Council’s approval. This report will generally include:

- Overall percent difference of pay structure from market
- Recommended merit adjustment to maintain competitive posture
- Promotion and special adjustment pools
- Total salary increase fund recommendation

F. SALARY ADJUSTMENTS

Salary adjustments for AURA employees are based on the following criteria:

- a. Individual contribution
- b. Performance level
- c. Internal equity
- d. Relationship to market
- e. Penetration in salary range
- f. Retention management

AURA Center/Site Directors' compensation shall be recommended to the Board of Directors by the AURA President for approval. Such recommendations shall be consistent with the compensation offered by comparable organizations for equivalent positions.

Upon termination of the position of Center/Site Director, other than for cause, and provided the individual is a member of the AURA Center/Site research staff, the compensation paid to a former Director who continues employment with AURA shall be at least equivalent to the average of the salaries paid to the five highest compensated tenured research scientists of the AURA site, except the Center/Site Director.

Contract specifications regarding key personnel salaries, such as Center/Site Directors, may require government approval. Salary increases for senior managers reporting to the Center/Site Director will follow a process designed to inform governance at each level, Management Council and Board of Directors, of the performance of key managers with significant responsibilities within the Centers. Final approval rests with the Board of Directors. The following procedure will be followed:

- Center/Site Directors will recommend to the Management Council Chairs the actual positions requiring final Board approval. These positions will include deputy director (grade 65 positions) and in addition, other equivalent top management positions. These will include site directors and other senior managers that have significant supervisory responsibility.
- The Center/Site Director, having reached agreement with the Council Chair, will inform the President of the list of names and titles that will comprise the senior management of the Center/Site.
- The AURA President will inform the Chair of the Board of Directors of the recommended list of staff and positions making up the senior management of each Center. The President and Chair will ensure Center -to-Center consistency taking into account any Center specific management structures or unique needs.
- Management Councils will review and discuss the Center/Site Director's performance evaluation and recommended pay increases for senior management and forward to the Board a final set of recommended pay actions.
- The Center/Site Director will prepare a table summarizing all recommended pay increases together with an executive summary of each performance evaluation.
- The recommendations submitted to the Board will contain the summary information prepared by the Center/Site Director together with an explanation of any changes the Council recommends from what was recommended by the Center/Site Director. For Center/Site

Deputy Directors, the Board will be provided the complete performance evaluation by the Center/Site Director.

- The Board can request to review, on an individual basis, the full performance evaluation for any case.
- The Board of Directors shall approve salaries of the President and Vice President(s) of the corporation regardless of the amount. The authority for all other AURA Corporate Office salary approvals shall rest with the President in accordance with his/her issued procedures. The AURA President is also authorized to accept salary recommendations as applied to AURA personnel who are designated to work at other organizations in accordance with specific Consortium Agreements.

G. Temporary Responsibility Premium

The AURA President, Center/Site Director, or designee, may grant a temporary responsibility premium in addition to the base pay level to any employee who has been given a temporary management assignment that includes a significant increase in responsibility for a duration of generally one (1) year or less. The amount of the premium shall be determined by the AURA President, Center/Site Director, or designee, in conjunction with site Human Resources and shall be consistent with the pay ranges established for comparable permanent positions. Upon reversion to their former assignment, or to another assignment with a reduced level of responsibility, the AURA President, Center/Site Director, or designee, in conjunction with Human Resources, will review the change of scope and adjust or remove the premium as appropriate.

H. Award – Bonus Policy

- 1) AURA Center/Site Directors may authorize one-time financial awards either as an alternative to, and/or in addition to, an annual merit increase in base salary or to recognize instances of extraordinary work performed by employees.

- a) Lump Sum Performance Awards

A lump-sum amount may be paid to an employee or group of employees in lieu of, or in addition to, an annual merit increase. The amount allocated for lump-sum payments shall be included as part of the annual AURA -approved “merit increase” plan. The total payments of merit increase amounts and these performance awards shall not exceed the total amount of payroll dollars available within the approved annual merit increase plan amounts. The Center/Site Director, or designee, shall develop criteria for the allocation of Performance Awards as compared to the individual employee’s performance. Performance Awards will normally be paid at the time merit increases become effective, but at the AURA Center/Site Director’s discretion, may be paid at other times.

- b) Meritorious Performance Awards

A lump-sum payment may be paid to an employee or group of employees in recognition of exceptional performance. Examples of such performance may include:

- i) Single-instance services that are of outstanding quality or of unusual importance to the Center’s program;

ii) Outstanding effort above and beyond the prescribed duties and workload of the individual's job; and

iii) Identification of methods to increase safety aspects or to save significant time or money.

The total amount of such awards, annually, shall not exceed three-quarters of one percent of the AURA Center/Site's total annual payroll dollars. Nominations for such awards shall be made to the AURA Center/Site Director in accordance with a procedure prepared and implemented by the AURA Center/Site.

2) Retention Bonuses

- a) Retention bonuses are a means of retaining critical staff who make significant contributions to the goals and objectives of AURA. Retention bonuses may be utilized to retain employees who have been identified by management to possess critical knowledge, skills and abilities required or needed for the successful completion of a project or other work. All full-time and part-time employees in good standing are eligible to be considered for a retention bonus.
- b) Subject to the requirements of this Retention Bonuses provision, the responsible manager along with the Human Resources Division shall recommend to whom retention bonuses should be offered, including details on the total amount and structure of the payment of the bonuses. Each retention bonus payment should occur at the end of a specified time frame established by management reflecting the completion of a key activity (e.g. project or transition of knowledge completion).
- c) Prior to seeking required approvals, the cognizant Human Resources Division shall conduct an analysis and review to confirm that bonus amounts recommended are fair and reasonable in light of (i) the employee's overall compensation and (ii) bonus payments that are made for similar work in the labor market in which AURA competes. Upon confirmation that the bonus amount is fair and reasonable, the Human Resources Division shall prepare a bonus agreement to be entered into by the employee and AURA before the services are rendered. The retention bonus will be paid out in accordance with the terms of the Agreement.
- d) The manager/HR recommendation, along with the details of the bonus agreement, must be approved by the Center Director and the AURA Chief Financial Officer prior to award of the bonus.

I. Job Transfers

A job transfer is defined as the temporary or permanent movement of an employee from one job to another job that is in the same grade range. A job transfer may be between jobs within one area or between areas. Job transfers generally do not warrant a salary increase.

J. Promotions

A promotion is defined as the movement of an employee from one job to another job or one rank to another rank, which is generally one or more grades higher and which materially increase the complexity of an employee's duties and requires significantly greater responsibility. Promotions will be made on the basis of individual merit.

At the time the employee is promoted, an appropriate promotional increase may be granted. Where the maximum promotional increase would leave the employee's salary below the minimum of the range for the job to which the employee was promoted, salary should be increased to that minimum.

The amount of the promotional increase will be established by Center/Site Human Resources and will take into consideration such factors as place in range in current position as well as anticipated place in range in new position. Should an employee's salary before increase already be substantially "in range" for the new position, the overall amount of increase may be adjusted and/or capped to preserve equity with others already in the new range.

K. Demotions

A demotion is defined as the movement of an employee from one job to another which is in a lower salary grade. AURA policy is flexible in the case of demotions. Depending upon the circumstances of each individual case, a demoted employee's salary may be left unchanged or reduced to an appropriate point within the salary range for the new position. This decision will be made by site Human Resources in consultation with appropriate management.

L. Pay Transparency

Pursuant to Executive Order 13665, The Pay Transparency Act, AURA will not discharge or in any other manner discriminate against employees or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of another employee or applicant. However, employees who have access to the compensation information of other employees or applicants as a part of their essential job functions cannot disclose the pay of other employees or applicants to individuals who do not otherwise have access to compensation information, unless the disclosure is (a) in response to a formal complaint or charge, (b) in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by AURA, or (c) consistent with AURA's legal duty to furnish information. 41 CFR 60-1.35(c)

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