

LUTHER COLLEGE

POLICIES AND PROCEDURES

Department: Human Resources
Subject: Promotions, Demotions and Transfers – Exempt Employees
Date Issued: October 10, 2005
Date Revised:
Approved By:

I. Policy/Procedure

This policy outlines the guidelines to establish a consistent and equitable procedure for managing promotions, demotions and transfers.

II. Scope

This policy applies to all exempt staff.

III. Terms and Definitions

- A promotion occurs when an employee is promoted from one position to another position into a different pay range.
- A demotion occurs when an employee requests a move or is moved to a position in a lower pay range.
- A transfer occurs when an employee requests a move or is moved to another position with the same pay range.

IV. Procedures and Guidelines

- A. When an employee is promoted the following applies:
- The difference between the minimum and midpoint of the new pay range is divided by eight. Each two years of past applicable work experience and Luther work experience counts for one year in the new pay range. In any case, the final salary cannot exceed the midpoint of the new pay range. For example, an employee with eight years of Luther College experience will receive four years of credit in the new pay range. Therefore, the new salary is equal to 4/8ths progression toward the midpoint of the new pay range.
- B. If an employee moves to a position in a lower pay range, their pay in the new pay range will be adjusted to reflect their years of service in their previous pay range. For example, an employee at the midpoint in their current pay range is moved to a lower pay range, their pay will be adjusted to the midpoint of the lower pay range.
- C. When an employee is transferred to a position in the same pay range, their pay will remain unchanged.

V. Confidentiality and Record

The Director of Human Resources and the applicable Vice President will approve all promotions, demotions and transfers. Appropriate documentation, salary worksheets and Personnel/Payroll Status Change Notices will be maintained in the employee's personnel folders in the Office of Human Resources.