

CIRM COMPENSATION POLICY
(Adopted by ICOC on June 27, 2024)

1. Introduction

This Compensation Policy (the “Policy”) describes compensation, hours of work, and related components for employees of the California Institute for Regenerative Medicine (CIRM).

2. Individual Salary Ranges

An employee’s salary must be within the Board-approved salary range that is assigned to the job title based on the associated position's duties and responsibilities. CIRM will use salaries from the University of California and those nonprofit academic and research institutions described in paragraph (2) of subdivision (a) of Section 125290.20 as a comparables to establish positional salary ranges. When not available, a salary survey method may be used to establish positional salary ranges.

A salary range adjustment should address local labor market trends as well as recruitment and retention issues. At least once every three years, CIRM will conduct a salary survey, and make any appropriate adjustments to each positional salary range.

3. Initial Hire Salary

All Initial Hire Salary offers should be aligned with the minimum salary range for the position; provided however, that an Initial Hire Salary offer may be greater than the minimum salary range for the position based on the experience, skills, and/or education of the prospective candidate.

4. Cost-of-Living (COLA) Adjustments

Cost-of-living adjustments (COLA) are calculated based on the Consumer Price Index-California (San Francisco/Oakland/San Jose). The proposed COLA for any fiscal year will be submitted for Board approval and will become effective at the start of that fiscal year.

Any approved COLA adjustments will automatically increase all positional salary ranges and employee salaries by the amount of the approved COLA.

Subject to ICOC approval, the Chair, Vice Chair and President and CEO shall be eligible to receive any General Increases approved for CIRM employees.

5. Merit Salary Increases

Any employee who holds a permanent, limited-term, or temporary position is eligible to be considered for a Merit Salary Increase.

An employee is eligible for a Merit Salary Increase if:

1. The employee has been employed by CIRM for at least six months.
2. The employee’s manager has completed a performance appraisal for that employee; and

3. The employee's performance is deemed to have met expectations for the role.

Partial Year Employment

Provided they meet the eligibility requirements set forth herein, an employee who has been employed by CIRM for six months or longer but less than a year, shall be eligible to receive a prorated Merit Salary Increase based on the length of the employee's employment.

Example: For example, if the Board approves a 3% Merit Salary Increase, an employee with 6 months of service will receive 1.5% of their current salary (6/12 months = 50%; 3% Merit Increase x 50% = 1.5%)

All Merit Salary Increase awarded will be at the set percentage approved by the Board.

A Merit Salary Increase cannot place an employee over the Board-approved maximum salary range for their respective positional salary range.

In addition to an employee's Merit Salary Increase, with the approval of the Chair, the President and CEO has the discretion to give a one-time non-base adjusting increase not to exceed 5% of salary for extraordinary performance.

6. Promotional Increases

An employee promoted to a new position will receive a salary increase of at least 8% or the minimum salary of the new positional range, whichever is greater. All promotions must be approved by the President and CEO and the Director of Human Resources, or by the Chair and Vice Chair for members of the internal CIRM Board Governance team.

7. Salary Decreases

An employee may receive a salary decrease upon a demotion (voluntary or involuntary). The decrease shall be the greater of 5% or the maximum of the class to which the employee is being demoted and may also include a change in title and/or responsibilities.

8. Salary Alignment Adjustments

A Salary Alignment Adjustment may be granted to address salary disparities between employees with comparable responsibilities and experience, or to address salary compression between supervisors and their direct reports. This adjustment requires a joint review and approval by the President and CEO, the Chair of the Board, and the Director of Human Resources.

9. Temporary Out-of-Class Salary

Employees performing services equivalent to those in a higher class for more than 15 consecutive workdays (except for employees on the CIRM Leadership Team) shall receive the rate of pay of the higher class for the duration of the assignment. Such assignments must be pre-approved in writing and cannot exceed 12 months.

The pay differential shall not be considered part of an employee's salary for the purpose of merit salary adjustments or other salary transactions related to subsequent appointments and separations.

10. Hours of Work

For compensation purposes, the workweek for a full-time exempt employee is generally considered to be 40 hours, although greater emphasis is placed on meeting the responsibilities assigned to the position rather than working a specified number of hours. During the workweek, an exempt employee is expected to work their regular schedule and to be available as business requires. To establish an appointment percentage for a part-time exempt employee, the number of hours the employee will generally be expected to work on a weekly basis as part of their regular schedule will be divided by 40 hours.

An exempt employee is paid an established salary that meets or exceeds California minimum for exempt status, and does not receive overtime compensation or compensatory time off. An exempt employee may only receive additional compensation beyond the established salary for their position as provided by this policy.

11. Access to and Publication of Salary Range Information

CIRM will provide employees with the salary range for their position and will publish salary ranges for each position as part of the job posting process.

12. Implementation of the Policy

The Director of Human Resources, at the direction of the President and CEO and the Board, shall be responsible for implementing the Compensation Policy. The Director of Human Resources may develop procedures or other supplementary information to support the implementation of the Compensation Policy. Such procedures and/or supporting documentation do not require approval by the Board.

13. Revisions to the Policy

All revisions to the Policy shall be approved by the Board.

14. Exceptions to Policy

The President and CEO and the ICOC Board Chair must both approve any exceptions to this Policy.