

LOS ANGELES COMMUNITY COLLEGE DISTRICT  
PERSONNEL COMMISSION

593

LAW AND RULES

November 6, 2024

**593 RETENTION DIFFERENTIAL**

**Education Code Sections**

**88080.** (a) The commission shall prescribe and, amend, and interpret subject to this article, such rules as may be necessary to insure the efficiency of the service and the selection and retention of employees upon a basis of merit and fitness. The rules shall not apply to bargaining unit members if the subject matter is within the scope of representation, as defined in Section 3543.2 of the Government Code, and is included in a negotiated agreement between the governing board and that unit. The rules shall be binding upon the governing board, but shall not restrict the authority of the governing board provided pursuant to other sections of this code.

(b) No rule or amendment which would affect classified employees who are represented by a certified or recognized exclusive bargaining representative shall be adopted by the commission until the exclusive bargaining representative and the community college employer of the classified employees who would be affected have been given reasonable notice of the proposal.

**88081.** (a) The rules shall provide for the procedures to be followed by the governing board as they pertain to the classified service regarding applications, examinations, eligibility, appointments, promotions, demotions, transfers, dismissals, resignations, layoffs, reemployment, vacations, leaves of absence, compensation within classification, job analyses and specifications, performance evaluations, public advertisement of examinations, rejection of unfit applicants without competition, and any other matters necessary to carry out the provisions and purposes of this article.

(b) With respect to those matters set forth in subdivision (a) which are a subject of negotiation under the provisions of Section 3543.2 of the Government Code, such rules as apply to each bargaining unit shall be in accordance with the negotiated agreement, if any, between the exclusive representative for that unit and the public-school employer.

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- A. A retention differential may be authorized by the Personnel Commission and Board of Trustees for the purpose of retaining a senior-level classified executive under the following circumstances:
1. The employee's resignation/retirement from employment with the District is imminent without the retention differential;
  2. The employee possesses exceptionally high or unique qualifications;
  3. The availability of candidates in the labor market who possess the competencies to perform the full range of duties and responsibilities of the employee's position at the level performed by the employee is known to be highly limited; and
  4. The employee's departure would affect the District's ability to accomplish mission-critical requirements, objectives, and initiatives.
- B. Senior-level classified executive positions covered by this rule include the following:
- a. General Counsel
  - b. Vice Chancellor/Chief Financial Officer
  - c. Vice Chancellor/Chief Facilities Executive
  - d. Vice Chancellor/Chief Information Officer
  - e. Vice Chancellor of Human Resources
- C. A retention differential shall be limited to a maximum duration of one year.
- D. A retention differential may amount up to a maximum of 25 percent more than the 5<sup>th</sup> step monthly base salary of the approved salary schedule for the job classification in effect at the time of affecting the differential.

Example Calculation for a Retention Differential:

5<sup>th</sup> step monthly salary (\$20,000) x percentage value of retention differential (20%) = monthly value of retention differential

$$\$20,000 \times 20\% = \$4,000 \text{ per month}$$

- E. Once approved, the total amount/value of a retention differential is not subject to change for the duration of the employee's employment.
- F. Cost-of-living increases or other general salary increases applied to salary schedules or other salary differentials shall not be applied to retention differentials.
- G. To receive a retention differential an employee must have permanent status in the classified service.

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- H. Payment of the retention differential shall be in equal monthly payments or fractions thereof, whichever applies.
- I. Payment of a retention differential shall continue during periods of approved paid absences.
- J. In recognition of the special pay practice a retention differential represents and the potential for disruption of salary relationships, the District administration shall submit the following information to the Personnel Commission for review and consideration, as provided in Education Code Section 88087, upon determination of the need to pay a retention differential.
  - 1. The name of the employee;
  - 2. The position to which the employee is assigned;
  - 3. The competencies of the proposed employee which support the differential.
  - 4. The mission critical consequences, if the position remains unfilled;
  - 5. The proposed percentage value of the retention differential;
  - 6. Justification for the proposed value of the retention differential; and
  - 7. The succession plan for the position.
- K. The following factors are taken into consideration in evaluating a retention differential request:
  - 1. The availability and quality of candidates possessing the competencies required for the position, including the success of recent efforts to recruit candidates for the position;
  - 2. The salaries typically paid outside the District for similar positions;
  - 3. Recent turnover in similar positions;
  - 4. Employment trends and labor-market factors that may affect the District's ability to recruit candidates for the position;
  - 5. Special or unique competencies required for the position;
  - 6. Work and/or organizational conditions, environment, requirements associated with the position; and
  - 7. Other supporting factors that may apply.

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- L. A retention differential shall not be considered as part of an employee's base salary for the purpose of step placement upon demotion or promotion.
- M. A retention differential shall not be considered as part of the employee's base salary for purposes of step placement upon change to any job classification with an equal base salary schedule or within three (3) percent higher than the base salary schedule.
- N. The District may unilaterally terminate a retention incentive service agreement based solely on the management needs, in which case the employee is entitled to retain any retention incentive payment attributable to completed service and to receive any portion of a retention incentive payment owed by the agency for completed service.