Policies for Professional Staff and Support and Service Staff not Covered by a Union

Salary Decisions for Professional Staff
PA/SS 2.6

Effective July 13, 2009

Employees covered by this policy
This policy applies to all Professional Staff employees.

A. Introduction

1. The university's salary administration program includes guidelines to assist management in determining individual salaries for a variety of personnel situations, such as: new hire, promotion, demotion, transfer, reclassification, in-range adjustment, and equity adjustment. Management should make decisions regarding employee pay based on objective job-related criteria, in a consistent, non-discriminatory manner.

   Terms such as RC, position, job, job family, job level, salary level, and salary range are defined in the policy Principles and Guidelines for the Professional Staff Salary Administration Program.

2. Principles applicable to all salary decisions:

   a. Equal pay without regard to age, color, disability, ethnicity, gender, marital status, national origin, race, religion, sexual orientation, or veteran status

   b. Emphasis on internal equity within an RC

   c. Determinants of all salary decisions include:

      • The employee’s job-related qualifications and performance
      • Pay of other employees performing similar work in the RC
      • The RC’s fiscal status
      • External market considerations for similar work in the relevant labor market segment based on geographical considerations (local, state, regional, or national) and type of employer (public, private, or higher education)

   d. Documentation required to substantiate primary determining factors may include:
• Verification of job-related credentials related to education, licenses, certificates, work experience, etc.
• Performance management documentation
• Internal equity comparisons
• External market data

e. Availability of funds

f. Required approvals obtained prior to communicating salary offers or changes, including any required campus or university fiscal approvals

**B. New Hire Starting Salaries**

1. Candidates who meet minimum job-related qualifications should receive at least the minimum of the associated salary range.

2. In determining starting salary, managers should consider all of the following:
   a. The candidate’s job-related qualifications
   b. The pay of other employees performing similar work in the RC
   c. The salary level and salary range of the position’s job level
   d. Any Department of Labor (DOL) minimum salary that would apply to certain visa holders
   e. The unit’s fiscal resources

3. A new hire salary that creates an internal inequity should be carefully considered, including a strategy for remediying the inequity with other employees.

4. Starting salaries above the Market Zone should be supported by exceptional skills and experience and may require approval of the RC head or designee based on internal RC protocols. Starting salaries above the Upper Level Reference Point require approval of the RC head.

5. The department head should approve the starting salary, before the offer is made.

6. The procedures for new hire starting salaries are described in Section J.

**C. Salary Decisions as the Result of a Promotion**

1. A promotion occurs when an employee is selected to fill another position that is assigned to a higher job level in the same or different job family.

2. A promotion may not necessarily result in a salary increase (example of dependencies include equity with other employees in the RC and the RC’s fiscal affairs).

3. In determining the salary, departments should consider all of the following:
   a. The candidate’s job-related qualifications and performance
   b. The pay of other employees performing similar work in the RC
   c. The salary level and salary range of the new position
   d. The unit’s fiscal resources
4. A salary that creates an internal inequity should be carefully considered, including a strategy for remedying the inequity with other employees.

5. The department head should approve the new salary, before the offer is made.

6. Employees who meet the minimum job qualifications should receive at least the minimum of the salary range.

7. The procedures for salary increases related to promotions are described in Section J.

**D. Salary Decisions as the Result of a Demotion**

1. A demotion occurs when an employee moves from one position to another position that is assigned to a lower job level in the same or different job family or when a department restructures the duties and responsibilities of a position resulting in a classification to a lower job level.

2. A demotion may be due to personal or career development reasons, a reduction in force, unsatisfactory performance, or lack of job qualifications and may not necessarily result in a salary decrease.

3. In determining if any salary adjustment will be made, the department should consider all of the following:
   a. The employee’s job-related qualifications and performance
   b. The pay of other employees performing similar work in the RC
   c. The salary level and salary range of the new job
   d. A salary decrease for demotions that are the result of poor performance
   e. The unit’s fiscal resources

4. A salary significantly above other employees in the RC performing similar work should be documented as an "exception" and approved by the RC head and should not be used in future equity comparisons.

5. Employees who meet the minimum job qualifications should receive at least the minimum of the associated salary range.

6. The procedures for salary increases related to demotions are described in Section J.

**E. Salary Decisions as the Result of a Lateral Transfer**

1. A lateral transfer occurs when an employee moves from one position to another within the same salary level within the same or different job family. The position may be in the same or a different RC.

2. Employees who meet the minimum job qualifications should receive at least the minimum of the associated salary range.

3. A salary adjustment may be made when a lateral transfer occurs. In determining if any salary adjustment will be made, the department should consider:
   a. The employee’s job-related qualifications and performance
   b. The pay of other employees performing similar work in the RC
4. The procedures for salary increases related to lateral transfers across RCs, or within the same department and different job family, are described in Section J. For lateral transfers within the same department and same job family, refer to Section K.

F. Salary Decisions as the Result of Job-Related Certification
1. Certain job-related certifications needed to advance within a profession may result in a salary increase adjustment but are not explicitly required by policy.
2. A formal certification salary adjustment program should be approved and on file with the Campus Human Resources Office prior to the submission of any related salary adjustments.
3. In determining the salary, departments should consider all of the following:
   a. Job-related qualifications and performance
   b. The pay of other employees performing similar work in the RC
   c. The unit’s fiscal resources
4. The procedures for salary increases related to job-related certifications are described in Section J.

G. Salary Decisions as the Result of a Reclassification
1. A reclassification occurs when the duties and responsibilities of a position are significantly redefined to the point the Campus Human Resources Office determines that the current job to which the position is assigned no longer characterizes the nature of the work and the position is assigned to a different job in the same or different job family.
2. A reclassification does not automatically result in a salary adjustment.
3. Employees who meet minimum job qualifications should receive at least the minimum of the range.
4. In determining any salary adjustment, the department should consider:
   a. The employee’s job-related qualifications and performance
   b. The pay of other employees performing similar work in the RC
   c. The new salary level and salary range
   d. The unit’s fiscal resources
5. The procedures for salary increases related to reclassifications are described in Section J.

H. In-Range Increases
1. An in-range increase may be appropriate when an employee has:
   a. Undertaken a significant change in responsibilities that resulted in a greater scope of responsibility within the current level
   b. Mastered new job competences resulting in significant additional responsibilities within the current level
2. Job changes must be measurable and well documented
3. In determining any in-range salary adjustment, the department should consider:
   a. The employee’s job-related qualifications and performance
   b. The pay of other employees performing similar work in the RC
   c. The unit’s fiscal resources

4. The rationale for an in-range increase requires written substantiation of the assignment of additional responsibilities and/or the new job competences.

5. The procedures, including the written substantiation, for in-range increases are described in Section K.

6. Nothing in this policy provision is intended to prohibit an in-range reduction in salary. Such an action could be considered when there is a significant reduction in responsibilities that is measurable and well documented.

I. Equity Adjustments

1. An equity adjustment may be appropriate under exceptional circumstances in order to establish salary equity among individuals performing similar work or when there is a significant discrepancy with the external market. A type of equity consideration is to respond to an offer from an external entity for a position with comparable duties and responsibilities.

2. In determining any salary adjustment, the department should consider:
   a. The employee’s job-related qualifications and performance
   b. The pay of other employees performing similar work in the RC
   c. If applicable, external considerations with the relevant labor market
   d. If applicable, written employment offer
   e. The unit’s fiscal resources

3. The rationale for an equity adjustment requires written substantiation and analysis of the pay discrepancy and the internal or external market conditions that led to the discrepancy; and if applicable, documentation of any relevant employment offer.

4. Equity adjustments are generally an exception to the university’s salary policy set by the Trustees, and as such require specific analysis and approval by the Vice President and CFO or designee.

5. The procedures, including the written substantiation, for equity adjustments are described in Section K.

J. Procedures for Salary Decisions for New Hires, Promotions, Demotions, Lateral Transfers, Job-Related Certificates, and Reclassifications

1. Salary decisions for each of these actions shall be based on the criteria identified in the respective section above; managers should maintain supporting documentation in department files.

2. The Campus Human Resources Office can provide consultative advice and assistance at any point in the process.

3. The department head will obtain approval for the starting salary and the salary adjustments for a new hire, promotion, demotion, lateral transfer, job-related certificate, or reclassification, including the
following required approvals:

a. The immediate supervisor shall obtain approval from her or his manager
b. Any salary that is at or above the Upper Reference Point shall have the RC head approval
c. The unit’s fiscal officer shall indicate that base or alternate funds are available
d. Any other RC or campus approval protocol shall be followed and approvals obtained
e. For a lateral transfer within the same department and same job family, any salary increase should follow the procedures in Section K.

4. Once any required campus and RC approvals are obtained, the department head or designee will notify the E-Doc initiator to initiate and route the appropriate HRMS E-Doc. A brief explanation of the reason for the increase should be included in the comments section of the E-Doc. Increases above the Upper Level Reference Point should include confirmation of the RC head’s approval and an explanation of any exceptional skills, education, experience, etc., as well as whether the increase creates a pay inequity with salaries of incumbents in comparable positions.

5. The effective date should be based on when the specific action occurs. For example, the effective date of a salary increase for a promotion should be the date the employee fully assumes the new, higher-level duties.

6. Campus Human Resources is the final reviewer of the E-Doc that will update the employee’s HRMS record.

7. The applicant or employee shall not be notified of the salary action until the above RC and any required campus approvals have been obtained.

K. Procedures for In-Range Increases (including lateral transfers within the same department and same job family) and Equity Salary Increases

Refer to the current fiscal policy to determine what actions are eligible for consideration for a salary increase and the process for requesting an increase and obtaining the necessary approvals. The Mid-Year Salary Adjustment form is not in use at this time.

1. The manager or supervisor should complete the Mid-Year Salary Adjustment form for a salary adjustment and submit to the department head.

2. The rationale (page 3 in the Mid-Year Salary Adjustment form) for the requested salary adjustment should include the following criteria:

   a. **In-range increase or lateral transfer within the same department and same job family** - Significant change in responsibilities that resulted in a greater scope of responsibility within the current job level. These duties are typically being performed for an extended period of time, such as six months or more, and the employee has demonstrated competency in the expanded responsibilities.
      
      - Describe the change in the scope of responsibilities and the impact on this position
      - Comparison of the proposed salary to Professional Staff with a similar scope of job responsibilities in the same job family and salary level within the RC
      - Employee’s job related qualifications and performance

   b. **Equity adjustment** – To remedy significant inequities with internal or external positions, based
on substantiated comparisons that are documented; includes responding to an employment offer from an external entity for a position with comparable duties and responsibilities. Equity adjustments are for exceptional circumstances and require careful analysis to ensure compliance with Trustee approved salary policies. Considerations include:

- Comparison of the proposed salary to the salary of employees in jobs with comparable responsibilities in other organizations that the university would compete with for talent. HR may have salary survey data that provides benchmark data on external salaries.

- Comparison of the proposed salary to the salary of other Professional Staff employees with a similar scope of job responsibilities in the same job family and level within the RC.

- Placement of the proposed salary within the relevant job family, job level and associated salary range (below, within, or above the market zone).

- Employee’s job related qualifications and performance.

- For response to an external employment offer, it is necessary to have written confirmation of the external offer, along with an overview of role of the position being considered. The consideration of such an equity adjustment should include the impact on other employees performing similar work within the RC, including the strategy for remedying any inequity. (Along with other types of equity adjustments, countering an external salary offer is only intended for exceptional circumstances. This policy provision is not intended to encourage employees to seek external offers for the purpose of receiving an adjustment in their University salary.)

3. The department head shall obtain approval for the salary adjustments, including the following required approvals:

   a. The immediate supervisor shall obtain approval from her or his manager.

   b. Any salary that is at or above the Upper Reference Point shall have the RC head approval.

   c. The unit’s fiscal officer shall indicate that base or alternate appropriate funds are available.

   d. Any other RC or campus approval protocol shall be followed and approvals obtained.

4. Once the RC head or Chancellor approves the request and Pages 1-3 of the Mid-Year Salary Adjustment form are completed, the Mid-Year Salary Adjustment form should be e-mailed to the Campus Human Resources Office for review. The Campus Human Resources Office is responsible for reviewing the rationale provided to ensure compliance with applicable laws and University policies as well as address all of the criteria noted above.

5. The Campus Human Resources Office will route the request and additional comments, if needed, to the Campus Budget Office for review. If approved, the Campus Budget Office will forward to the University Budget Office to review and approve for funding purposes.

6. If approved by the University Budget Office, the request will be routed to the Office of the Vice President and Chief Financial Officer or designate.

   a. The Office of the Vice President and Chief Financial Officer is responsible for reviewing and ensuring compliance with general fiscal policies and Trustee approved policies.

   - In-range increases for the assignment of higher level responsibilities or new competencies will be considered based on compliance with the University’s general fiscal policy.

   - Equity increase will be carefully examined for current and long-range impact on fiscal
affairs and specific compliance with Trustee approved policies. Requests for equity increases will typically involve more scrutiny.

b. Both the Department head and the Campus Human Resources Office will receive notification of the final decision of the Office of the Vice President and Chief Financial Officer.

7. If approved, the Department may proceed with initiating and routing the appropriate HRMS E-Doc; alternatively, the department head may notify the unit manager/supervisor that additional analysis is needed or the request is suspended or not approved.

a. The effective date may be individually determined with the beginning of a month.

b. The E-Doc initiator will copy the rationale for the increase and the applicable fiscal approval into the notes section of the maintain pay rate E-Doc and route it.

c. Employees shall only be notified of the salary action after the above approvals have been obtained.

**Principles applicable to all salary decisions**

- Nondiscriminatory regarding age, color, disability, ethnicity, gender, marital status, national origin, race, religion, sexual orientation, or veteran status
- Emphasis on equity within an RC
- Based on job-related qualifications and performance
- Fully qualified employees paid at least the minimum of the salary range
- Based on RC’s fiscal status and Trustee approved salary policies

<table>
<thead>
<tr>
<th>Salary Decisions (1)</th>
<th>Examples of Determining factors (1)</th>
<th>Approvals Campus and RC Heads</th>
<th>Approval Chief Financial Officer (CFO)</th>
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<tbody>
<tr>
<td>New Hire Starting Salary</td>
<td>• Candidate’s / employee’s job-related qualifications</td>
<td>• RC fiscal officer indicates availability of funds</td>
<td>N/A</td>
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<td>Promotion</td>
<td>• Employee’s work performance</td>
<td>• Department head approval, plus other RC and campus approvals, as established by each campus</td>
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<td>Demotion</td>
<td>• Comparison with other employees performing similar level of work in the RC</td>
<td>• RC head approval for salary at or above the Upper Reference Point</td>
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<td>Lateral Transfer (different job family, RC or distinguishable department) (3)</td>
<td>• Unit’s fiscal resources</td>
<td><strong>All approvals are required before salary commitment</strong></td>
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<tr>
<td>Job-Related Certification</td>
<td><strong>Determining factors must be substantiated. A complete list of determining factors and considerations is in the relevant policy section.</strong></td>
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<td>Reclassification</td>
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<p>| Lateral Transfer (same department and same job family) (2) | Same as above, plus: In-range - description of the change in the scope | Same as above, plus approval of CFO or designee | Complete the Mid-Year Salary Adjustment form and route to: |</p>
<table>
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<th>In-Range Increase (3)</th>
<th>Equity Increase</th>
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<tr>
<td>of responsibilities and the impact on this position</td>
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<td>Equity - comparison of the proposed salary to the salary of employees in jobs with comparable responsibilities in other units/organizations that the university would compete with for related talent</td>
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<td>• All required RC approvers.</td>
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<td>• RC forwards to Campus HR.</td>
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<tr>
<td>• HR will forward to Campus and University Budget Office.</td>
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<tr>
<td>• Office of CFO is final review for compliance with fiscal policies and Trustee salary policies – approval is required before salary commitment</td>
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</table>

(1) Campus Human Resources is available for consultation.
(2) For a lateral transfer within the same department and same job family, the approval process is the same as for an in-range salary increase.
(3) Refer to the policy, Guidelines for the Professional Staff Salary Administration Program for the definition of RC for purposes of applying the salary policies in a distinguishable department within a large RC.