

# STAFF COMPENSATION POLICY

## Policy passed by University Council on 3-10-94

Last review December, 2011

### 1.0 PURPOSE

To establish guidelines that will ensure equitable compensation through consistently applied practices for non-faculty positions in order to attract, employ and retain a well-qualified workforce.

### 2.0 DEFINITIONS

2.1 **Compensation:** remuneration for performance of work, including wages or salary, fringe benefits and other perquisites.

2.2 **Fringe Benefits:** perquisites or advantages of employment having cash value, including, but not limited to, longevity pay, hazardous duty pay, group insurance premium sharing contributions, employer paid retirement plan contributions, etc.

2.3 **Job Classification:** analysis of job as determined by the Office of Human Resources, including job title, pay grade, exempt/non-exempt status, etc., based on internal and external comparison and evaluation of compensable factors.

2.4 **Rate of pay:** base rate of salary or wages computed on hourly, monthly or annual basis.

2.5 **Exempt position:** a position that is defined by the Fair Labor Standards Act (FLSA) to be exempt from the overtime provisions of the law and paid on a monthly basis.

2.6 **Non-exempt position:** a secretarial, clerical, technical, service or craft job defined by FLSA to be eligible for the overtime provisions of the law and paid on a bi-weekly basis.

2.7 **Non-faculty position:** a position without faculty rank.

2.8 **Externally-funded position:** those positions paid through the university's payroll system but funded by a source external to UHCL, such as a grant or contract administered by a separate entity. Such positions are usually of limited duration and the anticipated lifetime of these positions may be specified in writing when the position is established. Externally-funded positions are subject to the same benefits and privileges as regular university positions, and are subject to UHCL and UHS policies and procedures.

### 3.0 Policy

It is the policy of UHCL that each non-faculty position will be assigned an equitable rate of pay for the duties and responsibilities defined for the job. Job classification and compensation rates will be determined by consideration of a variety of elements, including the following:

- a. Job responsibilities and duties
- b. Skills, experience, and education required to perform the job
- c. Consideration of market criteria
- d. Value of fringe benefits as part of overall compensation
- e. Turnover analysis within job group
- f. Other factors deemed by the president to be compelling and in the best interest of the university.

## **4.0 Nothing in this policy will be used to discriminate against any individual or group on the basis of race, color, sex, religion, national origin, disability, age, veteran status, genetic information or sexual orientation.**

### **5.0 Guidelines**

#### 5.1 Consideration of Market Criteria

a. In developing exempt and non-exempt pay plans for positions without faculty rank, UHCL will consider compensation rates for comparable positions from a variety of primarily public-sector employers. UHCL will develop and maintain compensation rates designed to compare with prevailing rates and trends consistent with the university's ability to pay. In general, the markets to be considered for comparison to various job groups will be:

Non-exempt: local and Houston metropolitan area

Exempt, Administrative support and professional: Houston metropolitan area and regional

Exempt, senior administrative and senior professional: National market and other public institutions of higher education with comparable size in terms of student enrollment and budget

b. UHCL will seek to establish and maintain rates that are competitive and considered fair. This goal is dependent on a number of factors including, but not limited to, availability of funds; value of fringe benefits as part of overall compensation; analysis of turnover within respective job groups; and job placement within the overall hierarchy of jobs.

### **6.0 Externally-funded positions**

Externally funded positions are occasionally essential to university programs and progress. To provide the flexibility required to accommodate such positions, UHCL will observe the following guidelines:

- a. Except for the Principal Investigator and personnel specifically identified by name in the grant proposal, all hiring will be conducted in accordance with accepted affirmative action guidelines.
- b. UHCL will require that the salary for the externally funded position be comparable to internally funded positions of similar rank and responsibility.
- c. The president may approve exceptions to the salary guidelines of (b) above in circumstances deemed critical to the interests of UHCL. However, any such exception must be supported by written documentation from an informed source that the approved salary is consistent with the rate that would be paid for a position of similar rank and responsibility.
- d. To the extent possible, sufficient funds for salary and fringe benefits increases must be built into the budgets of externally funded grant and contracts proposals to accommodate state-mandated increases that occur during the life of multi-year contracts.

### **7.0 Pay Plan Revisions**

Pay plans will be reviewed by the Office of Human Resources and considered for revision at least every two years. Changes to the exempt and non-exempt classifications and pay plans will be recommended by the Office of Human Resources and approved through the university's shared governance process.

## **8.0 Job Evaluations and Classifications**

Job evaluations and classifications will be the responsibility of the Office of Human Resources. Department managers may request an evaluation by sending the justification for the request to the executive director of human resources and affirmative action. If a change in classification results in a pay adjustment for any incumbent, the department must be able to base fund such pay change.

## **9.0 Job Titles**

The Office of Human Resources will be responsible for assigning job titles and salary ranges that reflect the duties and responsibilities of each position in comparison to other jobs. Generic standards for both exempt and non-exempt jobs will be defined by the Office of Human Resources.

# Compensation Procedures

(supplements [SAM 02.B.04](#) and [UHCL Policy](#))

## 1.0 New Hires (External)

1.1 The start rates for new hires into non-exempt positions will generally be the start of the pay grade. Hiring supervisors may recommend hiring an individual up to the first quartile of the support staff pay plan. Hiring supervisors may request exception rates through the executive director of human resources and affirmative action in accordance with the following:

- a. Exceptions may be granted for up to 10% above the minimum start rate with applicable experience beyond the minimum requirements. Exceptions may be based on the following criteria:
  - 5% for less than 2 years additional experience
  - 7% for more than 2 years but less than 5 years additional experience
  - 10% for 5 or more years of additional experience
- b. Exception rates for new hires will not exceed rate(s) paid to similarly qualified incumbent(s) in the same classification within the same department or school.

The hiring department or school must be able to base fund start rates greater than the minimum; the source of the funds must be identified prior to any job offer.

1.2 Hiring supervisors who believe circumstances warrant additional compensation above that which is outlined may seek review and approval of the executive director of human resources and affirmative action.

1.3 The start rates for new hires into exempt positions in grades 9 and 0 will generally not exceed the 60th percentile of applicable pay grade. Exceptions will be reviewed on a case-by-case basis by the vice president/president after a review by the executive director of human resources and affirmative action.

1.4 The start rates for new hires into exempt positions in grades 1 through 8 will generally not exceed the 40th percentile of applicable pay grade. Exceptions will be reviewed on a case-by-case basis by the executive director of human resources and affirmative action.

## 2.0 Promotions (Internal)

2.1 A promotion is a move from one position in a grade within the pay structure to a position in a higher grade within the pay structure.

2.2 The pay rate for an individual promoted within the university will generally be the minimum of the new pay grade or up to a 10% pay increase, whichever is greater. Rates above the minimum will be based on the following:

- 5% for less than 2 years experience above the minimum
- 7% for more than 2 years but less than 5 years experience above the minimum
- 10% for 5 or more years of experience above the minimum

2.3 The hiring department or school must be able to fund start rates greater than the minimum; the source of funds must be identified prior to any job offer.

2.4 Rates for promotions will not exceed rates paid to similarly qualified incumbents in the same department or school.

2.5 Hiring supervisors who believe circumstances warrant additional compensation above that which is outlined may seek review and approval from the executive director of human resources and affirmative action.

### **3.0 Lateral Transfers (Internally)**

3.1 A lateral transfer is a move from a position in one grade to a different position within the same grade.

3.2 Generally, individuals who transfer laterally to another position do not receive any change in salary.

3.3 Hiring supervisors who believe circumstances warrant additional compensation above that which is outlined may seek review and approval from the executive director of human resources and affirmative action.

### **4.0 Demotions**

4.1 A demotion is a move from a position in one grade to a different position in a lower pay grade.

4.2 Individuals who voluntarily accept offers for employment in positions that are classified on a lower grade may experience a decrease in pay. The hire rate of the new position will generally be the start rate of the applicable pay grade commensurate with experience.

4.3 Individuals involuntarily demoted to a position in a lower grade due to documented poor performance or for disciplinary reasons will be compensated in accordance with the duties and responsibilities of the new position. This may result in a decrease in pay.

### **5.0 Reclassifications**

5.1 If a filled position is recommended for reclassification to a higher grade, the incumbent may receive an increase within the following limits, as determined by the Office of Human Resources.

5.2 The minimum of the new pay grade or up to 10% increase in accordance with the section 2.2 for non-exempt positions.

5.3 Increases for exempt positions will follow the guidelines outlined in section 2.3.

5.4 Supervisors who believe circumstances warrant additional compensation above that which is outlined may seek review and approval from the executive director of human resources and affirmative action.

5.5 Every effort will be made not to downgrade any position that is currently filled.

5.6 If a filled position is recommended for downgrade, the incumbent's pay rate will remain the same.

### **6.0 Interim Pay**

6.1 Occasionally, positions vital to the organization must be filled immediately on a temporary basis when the incumbent transfers or the position is vacated. In such instances, another employee may be temporarily assigned to the vacant position or asked to assume some or all of the responsibilities of the

position for lengthy periods of time. An employee placed in an acting or interim status or who is required to assume significant responsibilities for an extended period of time may be considered for a temporary salary increase.

6.2 Simply assuming additional responsibilities does not in itself constitute the basis for a salary increase. The following guidelines should be applied when determining if a temporary salary increase is appropriate.

- a. The new duties to be performed are clearly differentiated from the duties normally performed by the employee.
- b. The new duties are not to be performed on a permanent basis.
- c. The new duties are expected to be performed for more than 30 days, but typically not more than one year.
- d. Requests outlining the circumstances and requesting the increase will be submitted through the appropriate management team member to the executive director of human resources and affirmative action for approval.

6.3 Temporary increases will not be retroactive.

6.4 Salary savings from the vacant position should be used to fund a temporary salary increase. In the event that the vacated duties are assigned to more than one employee, the combined temporary salary increases will not exceed the budgeted amount for the vacant position.

6.5 The temporary salary increase represents a payment which does not become part of the employee's base salary. When the temporary assignment ends, the employee's temporary salary increase is withdrawn.

**7.0 No offer of employment, promotion, transfer, demotion, temporary salary increase or reclassification will be made without the approval of the Office of Human Resources.**