STAFF SALARY PLAN

The Staff Salary Plan is a market-based compensation plan. The cost of maintaining the plan is driven by both position-specific and global changes in the relevant labor market.

Salary Schedule

The overall objective of establishing competitive pay levels for university staff employees is based on the following:

- One pay structure with 20 pay grades;
- Salary grades that are 50 percent in width, reflecting a entry, market, and 25% above market levels;
- Grade midpoints that are approximately 10% apart and that reflect the market average salary of positions classified therein;
- Each position assigned (classified) to a pay grade.

The current salary schedule for the University is located on the Office of Human Resources website.

Classification

Each classified position is assigned to a salary grade based on the available, relevant market data for the position. Market data is derived primarily from two sources: (1) the College and University Professional Association for Human Resources' (CUPA-HR) annual salary survey, and (2) the Department of Labor (DOL) annual salary data. Positions which have a direct match in the market are "benchmark" positions; those positions that are not benchmark positions are classified based on comparable benchmark positions. For benchmark positions, the average market salary should correlate to the midpoint of the assigned salary grade.

Accordingly, an incumbent with at least five years of service in a position should be paid a salary that is, at minimum, comparable to the midpoint of the position's assigned salary grade.

Placement and Movement within the Salary Plan

The following is a summary description of various types of movement within and across salary grades and the resulting changes in compensation, if any.

Initial Appointments

Generally, new employees will be assigned a salary at the entry level of the position's assigned salary grade. However, under certain circumstances, it may be appropriate to hire a candidate above the entry level salary. These circumstances may include searches for positions which require a candidate with many years of experience performing the duties and responsibilities required of the position and candidates whose qualifications/certifications exceed the minimum required. Before any salary recommendation is made, the department head should consider the implications of the salary of the new employee relative to the salaries of current employees who hold similar or like titles.

At the conclusion of a search, the department head should make a salary recommendation for the selected candidate in consultation with the Assistant Vice President of Human Resources . Consideration should be given to the candidate's qualifications as they relate to the position description. If a candidate is hired above the entry level of the respective grade, his/her "class date" used in calculating advancement

to the midpoint may be adjusted to reflect the consideration given for his/her experience, qualifications, etc.

The grade market level is the maximum salary a new-hire may be offered. Hiring an employee at a salary below the entry level is generally not permitted.

Advancement Within a Pay Grade

An employee should advance within a pay grade by receiving annual increases (including cost of living adjustments). Annual increases are administered at, and under the direction of, the University Board of Trustees generally on October 1.

Additionally, as referenced earlier, it is expected that an employee with five years of service in his/her position at the University be paid at the market level of the position's assigned salary grade. Annual advancement toward the market level ("progress to market") is generally calculated by dividing the difference between the current salary and the midpoint by the balance of five years of service. Progress to market increases are also generally awarded on October 1.

Promotion

The opportunity for a promotion becomes available when an existing position in a higher salary grade becomes vacant for which an employee in a lower salary grade applies and is selected.

When an employee is promoted to a position in a higher salary grade, during the course of an internal search in which only current UNA employees are considered, the employee will normally receive an increase based on one of the following guidelines, whichever is greatest:

- Current salary increased by 10% OR
- Current salary increased by 5% per grade (not to exceed 20%) OR
- Current salary increased to the entry level of the new grade.

When an employee is promoted to a position in a higher salary grade, during the course of an open search for which external candidates are eligible to apply, the employee, as the preferred candidate for the position, will have the opportunity to negotiate a salary commensurate with their experience, education, and qualifications for the position applied. At minimum, the employee will be afforded the greatest option as stipulated in the internal search section of this policy. Promotions are discussed in greater detail in the Employment Status and Classification section of the Staff Handbook.

Transfers

<u>Lateral Transfer:</u> A lateral transfer does not result in a salary increase. However, if an employee applies and is selected for a position in a lower classification, he/she may receive a reduction in salary commensurate with the requirements for the new position and based on the position budget set by the department.

<u>Reassignment:</u> Under certain circumstances, the University may find that it is in the best interest of both the University and an employee to reassign him/her to another position and/or department. Reassignments do not result in salary changes.

Reorganizations: Reorganization involves a change in the operational structure of a department and the associated changes in the reporting lines of the positions within the department. While a position title may change, reorganization does not result in a change in compensation for the incumbent.

<u>Demotion</u>: A demotion normally results in a salary decrease commensurate with the requirements for the new position and based on the position budget set by the department.

Reclassification

When there is a significant and permanent change in the scope and/or purpose of a position, a department head may choose to initiate a request for reclassification. A reclassification request consists of: (1) a memo to the division vice president requesting the reclassification and summarizing the changes in the position, and (2) an updated position description, noting the changes as compared to the current position. The request must be approved by the division vice president before it is considered by the Office of Human Resources for reclassification.

Upon receipt of the approved request for reclassification, the Office of Human Resources will review the requested new position and classify it just as it would a newly-created position (considering both the external market and the internal organizational hierarchy).

When a position is reclassified to a higher salary grade, the position's incumbent will subsequently be promoted and compensated according to the promotion procedures detailed in this policy.

Salary Plan Maintenance

It is essential that movements in the economy and, more specifically, the labor market in which the University competes, are addressed in the Staff Salary Plan. In order to maintain competitive salary levels, a balance must be achieved in addressing compensation at both the individual position and overall compensation system levels. Accordingly, pending the availability of funding, the following should take place on an annual basis: (1) an assessment of the cost of living, the Consumer Price Index (CPI), and its impact on the established pay grade ranges and pay grade ranges adjusted accordingly, and (2) a review of benchmark data by position and adjustment of positions within grades, if appropriate.

Salary ranges are adjusted annually (on October 1) to reflect positive changes in the CPI, if any. Additionally, through its annual verification of benchmark positions, the Office of Human Resources may determine that a classification adjustment of particular positions may be necessary based on movement in the relevant labor market. The recommendation for adjustment in the classification of a position should be made by the Assistant Vice President of Human Resources to the University President, substantiated through labor market data and other relevant documentation. Classification adjustments are generally made effective October 1, and a subsequent salary adjustment will be made for incumbent(s) to reflect progress toward the new midpoint, if appropriate.

All approvals for compensation decisions and initiatives are dependent on the availability of funds and must be submitted to the Office of Human Resources (HR) for review. Upon approval by the HR, all recommendations for salary adjustments must be approved by the President. No commitment is to be made to an employee until full approval is received.

Staff Merit Increase

After an employee has held the same position, has reached the salary market point (midpoint) of their position, and has maintained the position for five years, they are eligible to apply for a Staff Merit Increase of 7% of their base salary. This application process is available to salary grades 503 through 519. Employees whose demonstration of service to the University meets the criteria for this increase will be informed by the Office of Human Resources of their eligibility for submission of application materials for review. If they so choose, those eligible will submit an application demonstrating service to the University. The applicant should demonstrate eligibility in three of the eight areas listed below:

- Professional Development Ex. Certifications not required in job description.
- Service to the University Ex. Committee service not required in job description.
- Innovation Implementation of new processes/programs or cost-saving ideas.
- Mentorship Ex. Colleague or student mentorship not required in job description.

- Special Projects Ex. Initiatives that are outside the scope of the job description.
- Cross-Training Ex. Mastery of a significant quantity of skills in an additional job for which compensation is not paid.
- Student Involvement Ex. Volunteer advisor to student organizations, etc.
- Other

The completed applications will be reviewed by two levels of supervisors and blindly assessed with a rubric by a subcommittee of Staff Senate. Candidates will be informed of the committee's decision after the review process has been completed. The merit increase will take effect on September 1 of each year. Successful candidates must wait five years before submitting another application for review. The subsequent review process will assess the past years, beginning after the previously awarded merit increase.

The University's intent is to apply the Staff Salary Plan guidelines in every applicable situation. However, none of the guidelines are intended to be construed as a contract for employment. All employment letters are in the form of a separate document and must be in writing and signed by the President or Assistant Vice President of Human Resources.

The University has the full power and discretionary authority to interpret, construe, and administer the terms of the Staff Salary Plan and to determine its applicability to particular situations, job positions, or persons. The guidelines shall not bind the University to pay any employee a particular salary. The University's interpretations and determinations under these guidelines shall be final and binding.