ADMINISTRATIVE PROCEDURE Staff Salary Administration

| Related | Policy: | 05.038 - | Salary | Administrat | ion | (Staff) |
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These procedures have been established to implement UNT Policy 05.038, Salary Administration (Staff). These procedures apply to staff positions categorized as regular appointments as referenced in the Types of Staff Appointments Policy 05.018. Faculty, Deans, Academic Associate/Assistant Deans, Deputy/Vice Provosts with faculty designation, professional librarians, professional researchers (Postdoctoral Research Associates, Research Professors, Research Scientists), and salaried graduate students are excluded from these procedures.

1. Definitions

- 1. <u>Base Pay</u> The rate of pay for an employee in a position, including any merit awarded and exclusive of any supplemental pay.
- 2. <u>Career Band</u> A group of jobs that broadly share similar knowledge, skills and abilities and provide a progression for obtaining higher level competencies and job responsibilities.
- 3. <u>Career Progression</u> Individual, employee-specific movement within the pay structure that can be vacancy or non-vacancy driven.
- 4. <u>Classification System</u> A framework used to arrange jobs into groups based on similarities of purpose, competencies, duties performed, work environment and other common factors.
- 5. <u>Competencies</u> Knowledge, skills, abilities, and work behaviors that contribute to success in the job and to the organization's mission and goals.
- Cost of Living Adjustments (COLA) Statutory or other special pay increases. These can include
 across the board salary increases to all employees or pay level adjustments for specific job
 classifications approved by the President.
- 7. <u>Demotion</u> Assignment of an employee to a position with decreased job responsibilities and competency requirements at a lower pay level.
- 8. <u>EEO Code</u> The numeric code assigned to each position classification based on the Equal Employment Opportunity Commission (EEOC) job group definitions.
- 9. <u>Equity Adjustment –</u> A mechanism for maintaining salary relationships between and among employees who hold similar positions in relevant labor markets.
- 10. <u>Fair Labor Standards Act (FLSA)</u> Federal legislation that sets minimum wage, overtime compensation, equal pay, record keeping, and child labor standards.
- 11. <u>Salary Recommendation</u> The analysis of incumbent salaries for the purpose of determining an equitable salary for a new or existing employee.
- 12. Job Code- The unique numeric designation that is assigned to a specific position classification.
- 13. <u>Job Description</u>- The written record of the major responsibilities, competencies and work conditions of each job. The job description provides documentation of the essential functions and minimum qualifications for a job.
- 14. <u>Job Family</u> A group of jobs having the same nature of work (e.g., Information Technology, Administrative Support) but requiring different levels of major responsibilities, competencies and work conditions.
- 15. <u>Lateral Transfer</u> Assignment of an employee to a position with similar job responsibilities and competency requirements at the same pay level.
- 16. <u>Market Adjustment</u> A salary increase within a career band level to which an employee is assigned based on market competitiveness.
- 17. Merit Adjustment in pay within a career band level based on performance.

- 18. <u>Minimum Qualifications</u> The education, experience and other competencies that an individual must possess in order to perform a job or to be considered for a job.
- 19. <u>Pay Level</u>- The dollar amount between the minimum and maximum rates of pay to which a job is assigned.
- 20. <u>Position Classification</u> The official job title within the classification system determined by similarities of purpose, competencies, duties performed, work environment and other common factors.
- 21. <u>Position Redefinition</u> The movement of an entire position classification based on a significant shift in purpose, job scope and level of responsibility of all incumbents
- 22. <u>Promotion</u> Assignment of an employee to a position with increased job responsibilities and competency requirements at a higher position classification and pay level.
- 23. <u>Regular Staff</u> An employee whose appointment exceeds 4 ½ months in duration and who is on a work schedule of at least 20 hours per week.
- 24. <u>Starting Pay</u> The rate of pay offered when a vacant position is filled either by an internal or external candidate.
- 25. <u>Working Title</u> A departmental customized, descriptive title that provides greater understanding of the individual employee's responsibilities and scope within the department.

2. Procedures for Career Band Positions

- **2.1 Salary Upon Hire:** A department must offer at least the minimum rate of pay for the pay level associated with the position. An offer of entry (the minimum of the pay range) can be made without any additional approvals. Prospective employees with knowledge, skills and demonstrated abilities above the minimum qualifications for the position may be offered a rate above the minimum, once the required level of approval is received. Refer to section 2.8 for the approval process for salary offers over entry of the pay level.
- **2.2 Merit:** Merit is a pay adjustment awarded to a staff member within his/her pay level within the assigned career band based on performance. If merit is available for a given year, Merit Program Guidelines will be developed and communicated. Performance evaluations will be conducted on an annual basis during a common review period. Refer to section 4.2 for applicable regulations regarding merit pay.

Merit increases may be granted subject to the availability of funds and within the Merit Program Guidelines. A salary adjustment for merit shall be dependent upon specific written request of the staff member's department official and the approval of the division Vice President or the President. Human Resources is responsible for ensuring that all increases granted are within the approved Merit Program Guidelines.

2.3 Career Progression: Career progression is individual, employee-specific movement within the classification system that can be vacancy or non-vacancy driven.

Vacancy Driven Progression:

Promotion: A promotion occurs when a staff member, through a competitive process, transitions to a position of increased responsibility and complexity of duties and associated competencies at a higher position classification and pay level. A department must offer at least the minimum rate of pay for the pay level associated with the position, and this offer can be made without any additional approvals. Employees with knowledge, skills and demonstrated abilities above the minimum qualifications for the position may be offered a rate above the minimum, once the required level of approval is received. Refer to section 2.8 for the approval process for salary offers over entry of the pay level.

Lateral Transfer: When a staff member is transferred laterally to another position having the same position classification, or to a different position classification having the same pay level, the staff member in most instances will maintain his/her current pay rate. A salary increase or decrease for a lateral transfer to a different department may be considered upon consultation and approval from Human Resources and the required departments. Refer to section 2.8 for the approval process for salary offers over entry of the pay level.

Demotion: When a staff member voluntarily or involuntarily demotes to a position of decreased responsibility and complexity of duties and competencies requiring a change of position classification and having a lower pay level, the staff member's salary may remain unchanged, if within the pay level of the new position, or may be adjusted within the new pay level. This will require agreement from the department official concerned (chairperson or director) and Human Resources, and subject to the approval of the division Vice President or the President. The new rate shall be determined by consideration of the circumstances related to the demotion, the staff member's employment record, job performance and an internal equity analysis of other staff members in the department.

Non-Vacancy Driven Progression:

There will be opportunity on an annual basis for departments to submit formal requests approved by the department head for employee movement within the classification system to Human Resources for review and approval. Requests should be based on a demonstrated change in job responsibilities and required competencies that would necessitate the employee be moved to a different position classification.

If the employee's current salary is below the minimum pay rate for the new pay level, the employee will receive at least a pay increase equal to that minimum pay rate. If the employee is approved to move to a higher pay level, the promotion procedures will apply. If the employee changes position classification and the pay level is the same, the lateral transfer procedures will apply. If the employee is approved to move to a lower pay level, the demotion procedures will apply.

- **2.4 Reinstated Employee Salary Rate:** A reinstated staff member in a career band position returning from a seasonal layoff or from an approved leave of absence without pay is entitled to the same salary level previously held at the time of separation. The staff member is also entitled to any across-the-board increases which were granted to all other staff members in the classification while he/she was laid off or on leave.
- **2.5 Position Redefinition:** Position redefinition occurs when position requirements for an entire position classification have significantly changed in scope and/or purpose. There will be opportunity on an annual basis for departments to submit formal requests approved by the department head(s) for position redefinition to Human Resources for review and approval. Human Resources will conduct an internal and external alignment review and make a final classification determination based on that review.

Upon redefinition of a position, any staff members impacted would need to have the required competencies for the newly classified position. If applicable, any staff members below the minimum of the new pay level will be brought to the minimum of the new pay level. Affected staff members with salary rates falling within the new pay level will be reviewed by the department and Human Resources to determine if an adjustment is required. No change in pay may be committed to an employee without prior consultation and approval from Human Resources.

- **2.6 Maximum Pay Rate:** The salary of a staff member will not exceed the maximum of the pay level applicable to the staff member's position classification except when a salary increase mandated by the State Legislature results in a salary rate in excess of such maximum.
- **2.7 Other Salary Increases:** Salary increases not related to career progression, position redefinition or merit may be given periodically. University-authorized salary adjustments include across-the-board salary increases to all employees, market adjustments for certain position classifications, or classification system adjustments based on market benchmarking conducted by Human Resources. Market or equity adjustments for individual employees related to market competitiveness, importance of skill set, high-performance potential and/or retention risk, or internal relationships between and among employees who hold similar positions require prior consultation and approval from Human Resources and the division Vice President or President. The Staff Equity Adjustment Request Form must be completed and provided to Human Resources and outlines the requirements for this type of adjustment.
- **2.8 Approval of Salary Offers:** Salary offers greater than the entry rate for a pay grade, will require prior review and approval following the guidelines below:
 - For offers between entry and the 1st quartile:
 An offer in this range will require approval from Budgets.
 - For offers between the 1st quartile and the midpoint: An offer in this range will require approvals from Budgets and the Dean/AVP.
 - For offers over midpoint (also known as above market):
 An offer in this range will require approval from Budgets, the Dean/AVP, and the cabinet member. A salary recommendation (also known as an IER) or market data will also be required.
- **2.9 Offer Letters**: Written offer letters for vacant positions are required for all new hires and internal position changes (promotions, lateral transfers, demotions) and will be sent by Human Resources to all regular staff hires confirming the salary rate and hire/effective date.

3. Procedures for Staff Positions Without Established Pay Levels

The following positions do not have established pay levels:

President/Chancellor
Vice President/Vice Chancellor
Chief of Staff
Chief Auditor
Athletics Director
Coach/Assistant Coach

- **3.1 Salary Upon Hire:** The starting salary rate for a vacant position without an established pay level will be determined by the hiring authority taking into consideration the recommendation by the Human Resources department after a review of the position for external and internal equity.
- **3.2 Merit Salary Increases:** A staff member is eligible for review and recommendation for a salary increase within the Merit Program Guidelines communicated and in accordance with the general provisions outlined in section 2.2 of these procedures.
- **3.3 Special or Other Salary Increases:** Statutory or other special increases may be granted as deemed appropriate by the President and/or Board of Regents.

4. Applicable Regulations

4.1 Retroactive Salary Increases: Under the provisions of Texas Constitution Article III, Section 44, UNT is prohibited from making retroactive pay increases. When a document approving a pay increase is signed by an individual authorized to approve pay increases, the increase may be effective retroactive to the first day of the month in which final approval is received authorizing the increase, i.e., an increase signed anytime in January may be effective retroactive to January 1. The individual authorizing final approval of the pay increase is determined based on the highest level signature required for the personnel transaction.

Per this provision, if there is documentation completed at the time of offer that 1) is signed and dated by the authorizing individual, 2) is signed and dated by the employee and 3) states the pay rate and its effective date, it is permissible to retroactively pay back to the effective date.

4.2 Merit Pay: In accordance with Texas Education Code 51.962, the university may grant merit salary increases from any funds, and such increases must be based on pre-established criteria. To be eligible for merit an employee must have been employed for at least six months immediately preceding the effective date of the increase and at least six months must have elapsed since the employee's last merit salary increase.

Questions concerning these procedures should be directed to the Human Resources Department (940) 565-2281.