Salary Administration Policy Review & Recommendations

Office of Human Resources, Human Resources Advisory Committee, and Staff Senate

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Agenda

- 2008 – 2009 Policy Review Committee
- Transition from “Rule Based” to “Judgment Based” HR Administration
- New Appointments
- Promotions
- Lateral Transfers
- In-Range Adjustments
- Supplemental Payments
2008 – 2009 Policy Review Committee

12 Members representing:
- Staff Senate (5 Members)
- Human Resources (4 members)
- CODRE (2 members)
- COSW (1 member)
- Academic Administrator (1 member)

Recommendations submitted to:
- HR Leadership Dec 08
- Staff Senate Chair Summer 09
- HR Advisory Committee Fall 09
- General Counsel Fall 09
Transition from “Rule Based” to “Judgment Based” HR Administration

Public Accountability Requires:
- Decisions supported by facts & data.
- Decisions consistent with market values.
- Decisions recognize equity considerations.
- Decisions are documented appropriately.

Fixed Percentage Thresholds:
- Often penalize current employees in relation to external candidates.
- Limit appropriate management discretion.
Current Salary Range Structure

- **Classified Salary Grades**
  - Eight Grades (NA – NI)
  - Salary Range Spread 60% - 74%
  - Difference between Grades 18%

- **Professional & Admin Salary Grades**
  - Eight Grades (EB – EJ)
  - Salary Range Spread 41% - 73%
  - Difference between Grades 16% - 20%
New Appointments

➢ Current Policy Provisions:
  ▪ Promote hiring at minimum.
  ▪ Salaries above minimum are exceptions.
  ▪ Job qualifications secondary.
  ▪ Disconnected to prevailing market rates.

➢ Proposed Policy Provisions:
  ▪ Promote hiring at market value, consistent with job-related qualifications.
  ▪ Recognize management discretion from salary range minimum to midpoint.
  ▪ HR review & Dean/VP approval above midpoint.
Promotions & Reclassifications

- **Current Policy Provisions:**
  - Must increase salary at least to minimum.
  - Salary increase may not exceed 8.0%.
  - In public recruitment, new hire may be appointed at any salary up to midpoint, but internal promotions are limited to 8.0%.

- **Proposed Policy Provisions:**
  - Customary increase = $\frac{1}{2}$ grade differential.
  - May increase salary based on evaluation of job related qualifications & market value.
  - HR review & Dean/VP approval on increases that exceed grade differential.
Lateral Transfers

Current Policy Provisions:

- Prohibit salary increases.
- In public recruitment, new hire may be appointed at any salary up to midpoint, but lateral transfer limited to current salary.

Proposed Policy Provisions:

- Acknowledge that “broad band” nature of classification structure may recognize jobs of materially different values at same grade.
- Permit salary increases based on evaluation of job related qualifications & differential in job value, with HR review & Dean/VP approval.
In Range Adjustments

Current Policy Provisions:
- No policy, but quasi-established practice.

Proposed Policy Provisions:
- Equity – to correct salary differentials in excess of 10% for comparable work.
- Job Growth – to recognize additional duties or responsibilities that add value, but do not warrant reclassification.
- Retention or Market – to counter bona fide external offers or maintain market competitiveness.
- Exceptional Sustained Performance
Supplemental Payments

Current Policy Provisions:
- No policy, but audit guideline of 10-12%.

Proposed Policy Provisions:
- HR to file revised audit response to articulate appropriate public accountability guidelines (other than fixed threshold of 10-12%).
- HR to develop supplemental pay guidelines.
- Supplemental payments subject to Dean/VP approval and HR review, with no fixed percentage maximum.
Authority Guidelines

- **Department Heads & Directors**
  - New hires from minimum to midpoint.
  - Promotions & reclassifications up to grade differential.
  - No in-range, lateral, or supplemental payment authority.

- **Deans & Division Vice Presidents**
  - New hires above midpoint.
  - Promotions & reclassifications in excess of grade differential.
  - All in-range, lateral, & supplemental payments.
Accountability Measures

- Department must provide written justification for all salary increases that require Dean or VP approval.

- HR will review departmental justification, assess market value, and advise Dean/VP as appropriate.

- HR will conduct periodic review of salary adjustments by category by race/ethnicity, gender, and division.
Next Steps & Discussion

➢ Review by Advisory Groups
  ▪ Staff Senate Overview Mar 8
  ▪ HR Advisory Committee Overview Mar 11
  ▪ Staff Senate FEW Committee Mar #
  ▪ Final Staff Senate Review Apr 12

➢ Review by Administration
  ▪ Provost & Operations Group Apr 15
  ▪ President’s Leadership Group TBD
  ▪ President TBD

➢ Does not require Trustee approval.