

# UNCLASSIFIED AND CLASSIFIED STAFF SALARY ADMINISTRATION PROCEDURES

Wright State University is committed to maintaining pay levels that are competitive in the marketplace, are in compliance with all applicable laws and regulations, and are internally equitable. *All staff will be compensated* without regard to *race, color, religion, sex, sexual orientation, national origin, age, disability, or veteran status*. The Department of Human Resources (Human Resources) is responsible for policy administration of a uniform salary administration program by providing guidance to supervisors, employees and departments in its use.

## **Salary Administration Responsibilities:**

Developing the staff salary administration plan is a responsibility of Human Resources, but the effective application of the plan is a responsibility shared by all University administrators, managers and supervisors.

### **Human Resources Department:**

The Department of Human Resources is charged with the overall responsibility for the design and maintenance of the compensation plan. Specific Human Resources administrative responsibilities include:

- Conducting periodic market salary analysis;
- Reviewing and approving personnel transactions in accordance with university policies and procedures;
- Staying current on and monitoring compliance with related state and federal laws and regulations including the Fair Labor Standards Act and minimum wage legislation.
- Conducting position audits and resulting classification assignments;
- Determining new position classification/salary band assignments;
- Providing specific guidelines for setting individual salaries for new positions;
- Administering a classification review process; and
- Serving as the informational resource to the university community on salary administration and compensation issues.

### **Department Manager/ Supervisor:**

The department manager/supervisor is responsible for administering the salary administration plan in his/her area. Specific administrative responsibilities include:

- Understanding salary administration policies and procedures;
- Communicating salary administration processes to employees;
- Administering the plan in compliance with University rules and regulations; and
- Keeping Human Resources and Budget Planning and Resource Analysis informed in a timely fashion of any contemplated change or reorganization which may have an impact on classification matters and/or funding sources.

### **Budget Planning and Resource Analysis:**

Budget Planning and Resource Analysis is responsible for ensuring that the funding of positions and applicable compensation are in compliance with University budget principles. Specific administrative responsibilities include:

- Maintaining the University's position control database within the Banner system;
- Reviewing the financial impact of all employee position changes; and
- Reporting on and the distribution of position and compensation funding.

### **Full-Time and Part-time Unclassified Exempt Employment:**

It is the practice of the university that exempt employees, as defined by the Fair Labor Standards Act (FLSA), are paid on a salary basis. The employees are paid on a monthly pay cycle; therefore the pay period salary amount is determined by dividing the annual salary amount by 12 pays. The FLSA minimum salary for any exempt staff member is \$23,660.00.

Exempt part-time salaries will be calculated as a percent of the full-time salary for the position. The adjusted annual salary will be divided by 12 and paid on a monthly basis. The FLSA minimum salary for any part-time exempt staff member is \$23,660.00 or \$455 per week. The rate of pay cannot be adjusted below this minimum for part-time hours or the employee will not retain his or her exempt status.

### **Reductions to Exempt Employees' Pay (Safe Harbor Rule)**

Deductions to salary can only be made in accordance with University policies. Exempt employees who believe that their salaries have been improperly deducted should contact their unit administrator who will work with the Office of Human Resources to review the matter. The University will correct the pay of any exempt employee whose pay is found to have been improperly reduced.

An employee may retain his or her exempt, salaried status if the University makes a good-faith effort to comply with provisions of the Fair Labor Standards Act (FLSA) Safe Harbor Rule by: having a clearly communicated policy that prohibits improper deductions; having a complaint mechanism; reimbursing employees for improper deductions; and making a good-faith commitment to comply in the future.

### **Full-Time and Part-time Non-Exempt Employment:**

It is the practice of the university that nonexempt employees, as defined by the FLSA, are paid on an hourly basis. The employees are paid on a two week pay cycle (26 pays a year). The amount of pay an employee will receive for each pay cycle is determined by taking the hourly rate of pay and multiplying it by the number of hours worked during each week of the pay cycle. If the employee works less than 40 hours in a week and has exhausted his or her sick and vacation accrual, the employee's pay will be lowered by the number of hours he or she worked under 40 hours for that week. If the employee works over 40 hours in a week, all hours work over 40 will be paid as overtime. Employees cannot volunteer to work without pay (either on the premises or at home), nor can supervisors require or allow employees to work without pay.

### **Overtime Pay and Compensatory Time:**

Non-exempt (hourly) employees are eligible for overtime for all hours worked over forty on active pay status in a calendar week. All overtime must be approved in advance by the supervisor and then reported on the time card for the period in which it was earned. Active pay status includes sick leave, vacation leave, holiday pay, compensatory time, and hours worked. Overtime is paid at one and one-half times the hourly rate of pay for each hour of overtime worked.

Classified staff only can choose to receive compensatory time off instead of overtime pay. Compensatory time is granted at one and one-half hours for every hour of overtime worked. Federal and State regulations require that all time worked be paid, or recorded for compensatory time, on the pay date for

the pay period in which the overtime was worked. Employees cannot be required to take compensatory time instead of overtime pay.

### **Determining the Appropriate Level of Compensation:**

Wright State University believes it is important to consider both internal and external factors as pay decisions are made.

**1. Compensation Competitiveness (External Market Analysis):**

Externally, the relevant labor market(s) will be monitored to determine market movement. The external market consists of other academic institutions and general industry employers with whom the university may compete for employees with relative skills and experience.

**2. Classification System (Internal Equity):**

Internal equity at WSU is grounded in the establishment and maintenance of a valid job classification structure. All staff positions are assigned to a classification which is determined by the position's content rather than the capabilities of the individual employee. Human Resources is responsible for maintaining the classification system by assigning positions their classifications and by conducting market pricing analysis.

Internal equity however, does not mean everyone in a classification will be paid exactly the same salary. Other factors such as market data, experience, length of employment and performance will cause justifiable variances in individual employee rates of pay.

### **Starting Salaries for New Employees:**

New external appointees are hired at the minimum for the position as posted. The minimum pay for a position is set by the Human Resources Compensation Department in conjunction with the hiring manager. If a department believes that a pay rate of up to 10 percent above the posted minimum is necessary, a request endorsed by the dean or vice president and accompanied by supporting documentation must be presented to the Department of Human Resources. The Starting Salary Request form is available in the department of Human Resources and on the department's web site. The documentation requesting the exception may include such information as: difficulty in recruiting for the position; the specialized requirements of the position; and, the candidate's experience, credentials, or other factors.

The Department of Human Resources will evaluate the request and forward its decision to the hiring manager. If the dean or vice president disagrees with the decision made by the Department of Human Resources, the issue may be presented to the Provost for adjudication. Applicants who do not exceed the minimum requirements posted for a position shall normally not be approved for a pay rate above the minimum. The Provost will communicate the final decision on the request to both the dean or vice president and the Department of Human Resources. Any request for starting salary above 110% of the posted minimum must be approved by the Office of the Provost.

Salaries up to 110% of the minimum will be funded from the University Compensation Pool. Any approved increase above 110% will be paid for by the hiring department. The Provost may make an exception to this policy and fund the entire increase from the Compensation Pool.

### **Position Audits:**

If the duties and responsibilities of a position have changed by at least 25%, a position audit may be requested by the employee who currently holds the position. All audit requests must be validated by the department/unit head and endorsed by the dean or vice president. The results of the audit will be communicated to the employee, the department/unit head and the dean or vice president. Classified Job Audit forms and Unclassified Position Review forms are available in the Department of Human Resources and on the department's web site.

If a position audit results in a reclassification, the employee who currently holds the position will receive a 5 percent increase or an increase to the minimum rate of pay for the position, whichever is greater. Human Resources will determine if the increase is due to external market analysis or by department driven changes to the position. Funding for external market driven changes will be provided by the compensation pool. Funding for internally driven position changes will be funded by the unit/department.

### **Annual Salary Increases:**

Recognizing that most staff are meritorious and deserve compensation increases which recognize their accomplishments, the University employs a system that begins with a university-wide salary increase pool and combines across-the board increases with merit increases for effective unclassified and classified staff. Merit awards should reflect real and measurable differences in individual or group performance. Increases should be denied to staff who fail to meet minimum performance standards.

A prorated annual increase may be awarded to employees hired between August 1 of the previous year and April 30 of the current year. The prorated increase amount is obtained by dividing an annual increase amount by twelve and multiplying the result by the number of months the employee has been at the University.

When an employee reaches the maximum of his or her salary range, the employee will be awarded a "lump sum" payment instead of an annual salary increase.

The annual salary increase cycle is dependent upon the University's budget and can be modified or suspended by the University as deemed necessary.

### **Internal Promotions:**

Requests for internal promotions are made through submission of appropriate documentation to the Department of Human Resources through the People Admin system. An employee who receives an internal promotion will receive an increase to the minimum posted salary or 5% of his or her current salary whichever is greater.

The salary increase awarded to an employee who receives an internal promotion to a vacant position will be funded by the compensation pool. Any promotion awarded to an employee where there is no existing vacant position will be considered a reorganization of that unit/department and will be funded by the requesting unit/department.

### **Voluntary Reassignment/Demotion:**

When an employee requests, (and the request is approved by the department administrator and Human Resources), to be reassigned to a position in a lower salary band, the employee's annualized salary

normally will be decreased by 5% or to the maximum of the lower salary band, whichever is the lower rate of pay.

### **Involuntary Reassignment/Demotion:**

When an employee is involuntarily reassigned to a lower position for disciplinary or performance purposes, the employee's annualized salary will be decreased. The employee's annualized salary will be determined by the AVP of Human Resources in consultation with the employee's manager.

When an employee is involuntarily reassigned to a lower level position for administrative purposes resulting from reorganization, the employee's salary will remain the same if within the new salary band or be set at the maximum of the new salary band, whichever is lower.

### **Special Salary Adjustments for Unclassified Staff:**

Please see Wright Way Policy 4211 for information concerning special salary adjustments.

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### **Classification Titles and Working Titles:**

A classification title is assigned by Human Resources to a position when it is evaluated and placed in the classification structure. The classification title will be the official title used by Human Resources.

Unclassified positions may also be assigned a working title. A working title is a descriptive and informative designation in addition to, or exclusive of, the position's classification title. Working titles allow individuals both inside and outside the organization to accurately identify what a specific person's role is in the organization. Working titles can be used in the unit, in general communication, on business cards and on job postings.

A working title is requested by the department and approved by Human Resources. Working titles are appropriate when the working title: does not misrepresent the job and its authority within the University; does not create a conflict of interest or the appearance of such a conflict; does not conflict with an approved classification title; or if it is needed to meet regulatory standards. In most situations the classification title and the working title should be the same.

### **Working Out-of-Class (WOOC) Temporary Pay Adjustments**

A non-bargaining unit classified or unclassified staff employee who is temporarily assigned to duties of a position with a higher pay range than the employee's assigned pay range is eligible for a temporary pay adjustment, which increases the employee's regular base rate of pay to the greater of:

- (1) the classification salary base rate of pay of the higher level position, or
- (2) five per cent above the employee's regular base rate of pay.

This temporary pay adjustment shall be for a minimum of two weeks and a maximum of one hundred eighty days, except when an extension is approved by the Human Resources Department.

### **Authorization Process for Classified and Unclassified Employees:**

A Working Out of Classification Authorization form must be submitted prior to the start of the pay period that includes the time worked out of classification. (Electronic copies of the form are available for

completion and printing on the HR website.) The Working Out of Classification Authorization form must be completed by the supervisor, approved by the Department director, and forwarded to the Compensation area in the Department of Human Resources for final authorization. The Compensation staff checks the form to ensure that the duties required of the employee are assigned to the appropriate classification and rate of pay. Then the Working Out of Classification Authorization form is forwarded to the appropriate HR Operations Analyst for input into Banner.

Supervisors and managers may consider time worked out of classification granted unless the Compensation area of the Department of Human Resources notifies them otherwise.

### **New Time Sheet for Hourly Employees:**

When the HR Operations Analysts enter the job into Banner for an hourly employee, it causes an additional electronic time sheet to appear in Web Time Entry so that the time worked out of classification can be entered by the employee and approved by the department.

**Please note:** Time worked out of classification is compensation and is therefore not eligible for compensatory time accrual for classified employees.

### **Public Accountability Rule for Partial Day Absences:**

An employee of a public agency who has worked less than 40 hours in the workweek may have his or her pay reduced for absences for personal reasons or because of illness or injury of less than one work-day (partial day) when accrued leave is not used by an employee because:

1. Permission for its use has not been sought or has been denied;
2. Accrued leave has been exhausted; or
3. The employee chooses to use leave without pay.

If an employee has worked less than 40 hour in the week and wishes to avoid a reduction in pay, he or she should use available sick or vacation hours for partial day absences.

### **Salary Band/Range Movement:**

If the University determines it necessary to change the minimums, midpoints and maximums of the salary bands/ranges, any employee who falls below the new salary band/range minimum will be adjusted to the new minimum.

### **Working Partial Pay Periods:**

An exempt employee will receive only a proportionate share of his/her regular pay in single day increments when beginning or terminating employment during a pay period.

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