

STAFF COMPENSATION GUIDELINES

For UNT System
Enterprise
Organizations

June 2023

Agenda

- Compensation Guidelines Overview
- Philosophy & Strategy
- Pay Structure
- Setting Salaries
- Compensation Changes
- Additional Pay
- Roles and Responsibilities
- Available Resources



Staff Compensation Guidelines

- The Staff Compensation Guidelines serve as the standard for managing the UNT System Enterprise's compensation program for staff.
- These guidelines apply to job titles designated as regular staff. Jobs designated as faculty, faculty administrators, hourly and jobs requiring student status are excluded from these guidelines.
- Additional guidelines or exceptions for specific campus classifications may apply.
- Available online at: <https://hr.untsystem.edu/supervisor-resources/compensation/index.php>

Staff Compensation Philosophy

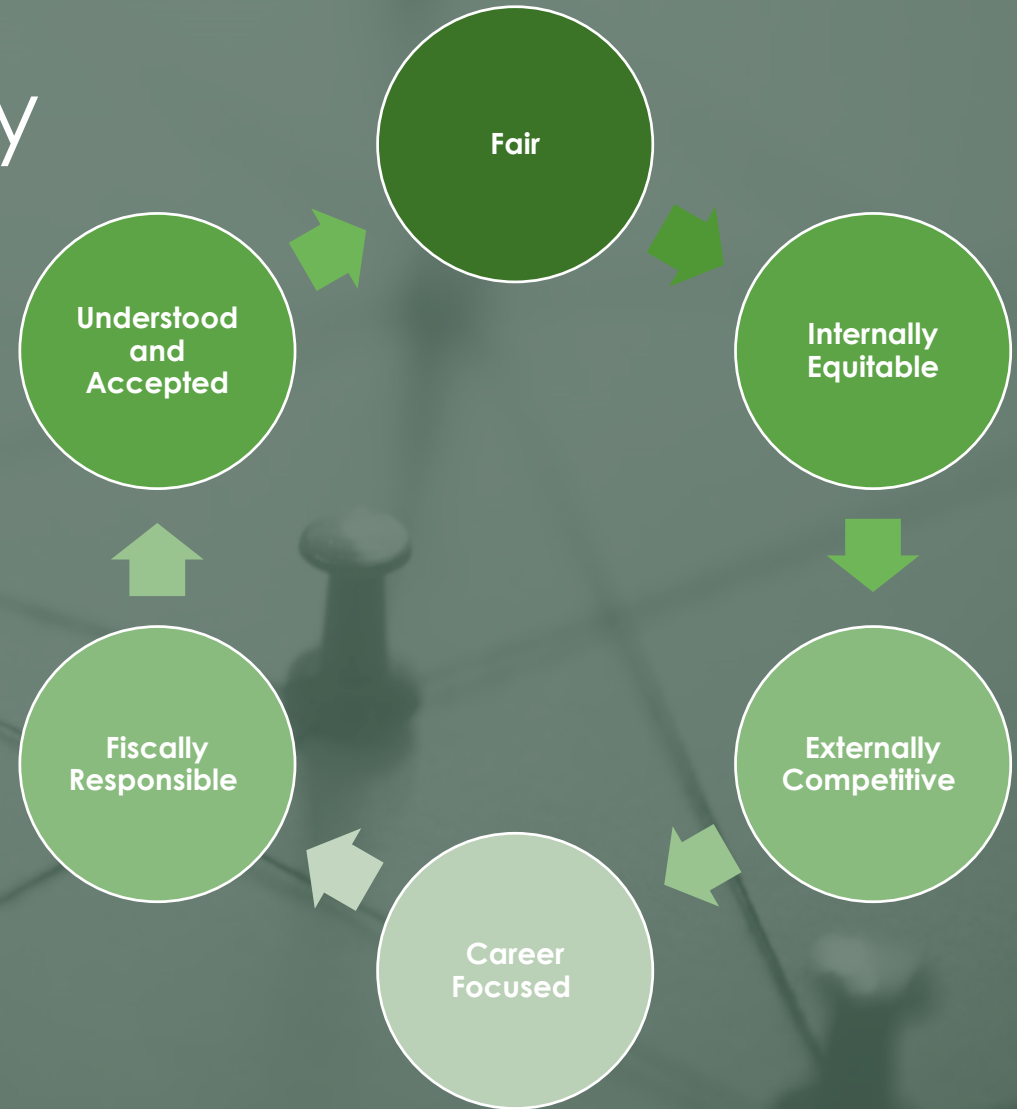
The UNT System Enterprise is committed to providing a compensation program that is **equitable, competitive, transparent and strategic**. The program will effectively attract, retain, motivate and reward a highly talented and committed workforce in support of each institutions' mission, vision and values.

We value continuous skill growth and career development with a firm commitment to administer the compensation program **strategically, consistently, fairly and equitably**.

The compensation philosophy serves as the **foundation for policy and guidelines**, with flexibility for budgetary constraints, strategic mission-driven goals, and dynamic market conditions with accountability for compensation decisions at all levels.

Compensation Strategy

The compensation strategy supports the compensation philosophy by using market data to establish competitive ranges of compensation and through compensation practices to attract, retain, develop and reward employees. The staff compensation strategy is aligned with these objectives:





Compensation Strategy

- For all UNT System Enterprise institutions, compensation decisions are a collaborative effort between the hiring manager or supervisor, responsible higher-level administrators, and Human Resources.
- Implementation of consistent and appropriate practices are instrumental to our ability to attract, motivate, and retain qualified employees, and to ensure compliance with appropriate rules, regulations, and laws.
- The success of our compensation program hinges on our ability to appropriately compete with external labor markets, to recognize and reward exceptional performance, and to maintain a shared sense of internal equity and fairness.
- The Human Resources team is responsible for managing and providing consultation on policies and processes for UNT System Enterprise compensation practices for staff.

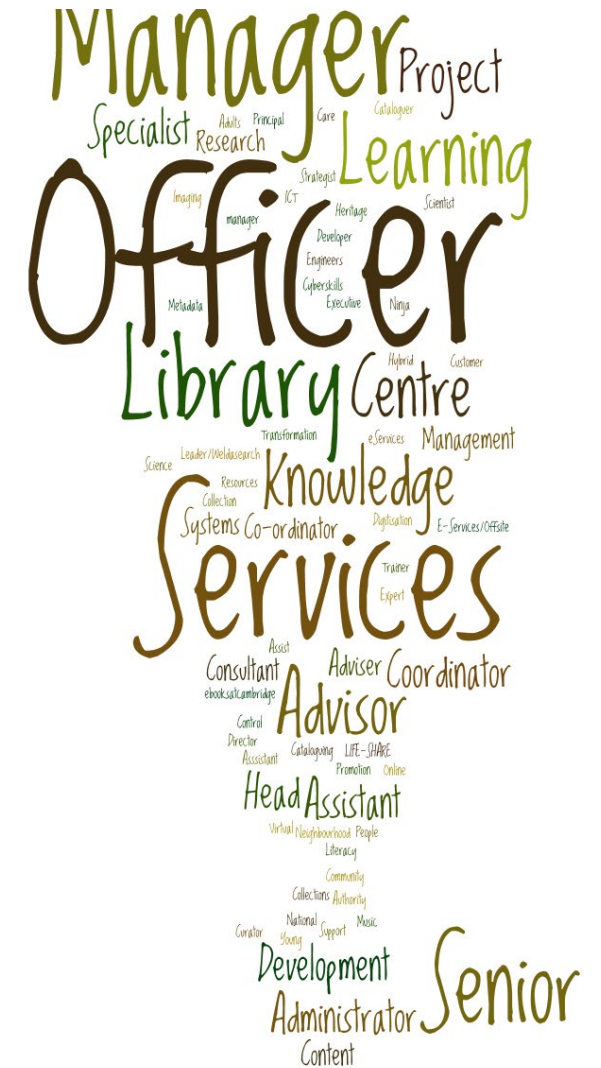


Pay Plan

- The pay plan is an established set of salary grades and pay ranges that are used to pay classified jobs.
- The pay plan includes the job title, pay grade, pay range, FLSA classification and retirement eligibility classification.
- Each Campus Pay Plan can be accessed at: <https://hr.untsystem.edu/supervisor-resources/compensation/pay-plan-and-classification-job-descriptions.php>
 - Classified Staff
 - Non-Classified Titles
 - Pay Grades

Job/Classification Title

- A specific name given to a job that is reflective of the work performed by the job and the level of the job within the organization.
- Each job title also has an assigned job code
- HR Compensation establishes all job titles and job codes, and establishes:
 - Pay grade
 - FLSA and EEO classification
 - Retirement and benefits eligibility
 - Leave eligibility





Classified Jobs

Classified jobs are assigned to a specific salary range with an established minimum and maximum salary in the pay plan.

The classified staff compensation plan is developed using compensation information gathered from market survey benchmarking

Consists of 20 grades that represent a continuum of salaries based on the market for a range of positions.

Non- Classified Jobs

Non-Classified jobs do not have an established pay grade.

Non-classified staff titles generally include senior administrative officials, assistant and associate vice presidents/vice chancellors and executive directors.

Salary determination for non-classified positions are determined through consultation with Human Resources and will be based on external market data, employee qualifications and internal pay equity.

Fair Labor Standards Act (FLSA) Classification

- Federal legislation that sets the federal minimum wage, overtime pay, equal pay, record keeping, and child labor standards for employees who are covered by the act and are not exempt from specific provisions.
- Specifically utilized for UNTS enterprise organizations for:
 - Comp-time/overtime eligibility
 - Timekeeping requirements
 - Eligibility for certain types of payments

Exempt vs. Non-exempt

Exempt: A job that is not subject to the overtime, record keeping, or minimum wage provisions of the Fair Labor Standard Act (FLSA) based on the salary and responsibilities of the position.

Non-Exempt: A job subject to the overtime, record keeping, and minimum wage provisions of the Fair Labor Standards Act (FLSA).

Exemption Criteria include the salary rate paid to the employee – current minimum is \$35,568 annual - and the type of work performed.



Salary/Pay Range

- A salary range is an established range of pay organized into salary grades.
- Each classified job is assigned a salary grade that represents employees performing similar work utilizing similar knowledge, skills and abilities.
- Pay ranges have an established entry and maximum salary, with a midpoint set halfway between entry and maximum.

Salary Quartiles

- Classified salary ranges are divided into fourths – each representing a quartile of the range.
- Quartiles provide guidelines for appointing employees within the salary range based on qualifications, performance, and competencies.
- When determining pay, the employee's knowledge and skills should be considered as they relate to the job/duties/responsibilities. Only education and prior experience that is directly related to the position should be considered.
- If an employee meets only the minimum qualifications of the position, they likely should be compensated in the first quartile.
- The midpoint of the salary range is considered the market value of the position, and it is expected that the employee at this salary or above has the ability to immediately be fully productive in the position.

Early Career - First Quartile

The first quartile of the range is usually intended for employees who are new to the job, are in a learning situation, and/or do not have substantial experience in the position. The incumbent typically is still learning the basic functions to be performed. Employee experience and qualification will meet the minimum requirements for the job.

Proficient - Second Quartile

The second quartile of the range is intended for employees who have gained experience and skill and who are becoming more proficient in the position for which they were hired. The incumbent is able to complete most job requirements; enters the job with directly relevant prior experience and requires only procedural, departmental or university specific training. Employee experience and qualifications will exceed the minimum requirements for the job.

Advanced - Midpoint of Range/Third Quartile

The midpoint/third quartile is typically reserved for experienced employees who perform all tasks independently. The incumbent is fully competent or knowledgeable in all aspects of the job requirements, and can demonstrate ability to immediately contribute to the achievement of objectives with little direction or supervision beyond general operational orientation needs. Employee experience and qualifications will significantly exceed the minimum requirements for the job.

Expert - Fourth Quartile to Maximum

The fourth quartile of the range is normally reserved for individuals who are considered a subject matter expert in their position. The incumbent has depth and breadth of experience demonstrated through the ability to execute all job requirements while being held accountable for outcomes; routinely handles complex situations. Employee experience and qualifications will significantly exceed the minimum requirements for the job and the individual may bring in highly specialized expertise.

Retroactive Pay

- According to Article III, Sections 44, 51, and 53 of the Texas Constitution, an increase may be retroactive to the first day of the month in which final approval (from all required approvals) for the pay change is received, provided that the approval was received in the same pay cycle (i.e., an increase requested with all required approvals received anytime in November may be retroactive to November 1, but not prior to November 1).
- In addition, an employee may not begin working before the official start date issued by Human Resources.
- An administrative error in awarding a salary increase is insufficient, by itself, and may only be corrected if the error resulted in an employee not receiving an increase they are entitled to under the law.

Determining Salary for Classified Staff

Items to consider when determining employee salary include:

- **Employee Qualifications**
 - **Experience**
 - **Education**
 - **Certifications**
 - **Knowledge, Skills and Abilities**
- **Internal equity**
- **External market**



New Hire Salary

A department must offer at least the minimum rate of pay for the pay grade associated with the position. Some campuses may have established additional minimum rates allowed for hires.

An offer over entry can be made, however, in general, the starting salary for a new hire should not exceed the midpoint of the salary range unless the candidate's related education and experience significantly exceed the minimum qualifications for the position.

Any starting salary above midpoint will require justification and approval by HR Compensation.

Additional administrative approval may be required.

Promotion

The background of the slide features a dark teal color with a faint, stylized illustration of a man and a woman running up a staircase. The man is in the foreground, and the woman is slightly behind him. The staircase is composed of several rectangular steps that recede into the distance.

When an employee moves from their current classification to a different classification that is assigned to a higher salary grade, this is considered a promotion.

A promotion generally warrants an increase in base salary to recognize additional skills and/or responsibilities of the employee and to ensure that pay for the new position is consistent with market and internal equity.

The salary determined for a promotion should consider an employee's skill, knowledge, experience, performance, degree of increase in responsibilities, current salary relative to others in the new pay grade, and ability to perform the duties of the new job.

A recommended salary above midpoint will require justification and approval by HR Compensation. Additional administrative approval may be required.



Lateral Transfer

- A lateral transfer occurs when an existing employee moves from their current classification to a different classification that is assigned the same pay grade of their current job.
- The salary determined for a transfer should consider an employee's skill, knowledge, experience, performance, degree of change in responsibilities, current salary relative to others in the pay grade, and ability to perform the duties of the new job.
- A recommended salary above midpoint will require justification and approval by HR Compensation. Additional administrative approval may be required.



Demotion

When an existing employee moves from their current classification to a different classification that is assigned to a lower pay grade than their current job.

When a staff member is voluntarily or involuntarily demoted to a position having a lower salary grade, 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.

The new rate shall be determined through consultation between Human Resources and department leadership in consideration of the circumstances related to the demotion, the staff member's employment record, and job performance.

A recommended salary above midpoint will require justification and approval by HR Compensation. Additional administrative approval may be required.

Reclassifications

- A reclassification is a change in the classification of a job as a result of a significant and permanent change in job duties. A reclassification involves a change of title and/or salary grade, but not necessarily a change of salary.
- A reclassification may be required when there is a permanent change in the duties and responsibilities of a job that occur due to changes in the organization, type of work, staffing requirements, technology or when the classification (title, job grade, or status) assigned to the job is no longer representative of the actual job duties.
- The primary goal of a reclassification is to ensure that the work being performed corresponds with the job description. As such, reclassification may or may not result in an increase or decrease in salary grade.
- An employee's pay after the reclassification must fall within the newly determined salary range and comply with the promotion, transfer or demotion guidelines provided above.

Additional Salary Changes for Classified and Non-Classified Staff

There may be instances in which an employee's salary may be changed without an associated change in job.

Salary changes should be set to ensure that the employee is paid at least the minimum and not more than the maximum of their current pay grade range, where applicable.

Merit Increases

A merit increase, a form of pay for performance, is a pay adjustment based on employee performance. A merit salary increase, including a one-time merit payment, may be granted to an employee whose job performance and productivity is consistently above that normally expected or required.

At a minimum, to be eligible for either a merit salary increase or a one-time merit payment, the employee:

- Must have been employed by the institution of higher education for more than six months
- At least six months must have elapsed since the employee's last merit increase.

Merit Increases

Merit guidelines, eligibility criteria, and allocations will be managed and communicated by each institution.

Merit increases may be granted subject to the availability of funds and within the established merit program guidelines.

If a requested merit raise would result in a classified employee being paid above the maximum salary for their position's established pay grade, the excess value of merit above the maximum salary will be paid as a one-time lump-sum payment.

Equity Adjustment

An equity adjustment is made based on the outcome of an equity analysis conducted by HR Compensation.

An equity analysis compares employees' pay whose positions require equal skill, effort and responsibility, and who perform their duties under similar working conditions, while considering differences between employees' experience, education, and levels of performance.

A request for an equity analysis must include a written justification and be recommended by the department head and the division VP/VC.



Market Adjustment

- A market adjustment is a salary adjustment made to recognize changes in the competitive salary market for a job using market pricing processes. A request for a market adjustment may be considered in circumstances such as recruitment, retention, turnover, special market circumstances and changes in job requirements.
- A request for a market adjustment must include a written justification and be recommended by the department head and the division vice president, vice chancellor, or Chancellor/President and will require review and approval from Human Resources Compensation.



Augmentation Pay

- An augmentation can be provided for performing a temporary assignment involving substantial additional workload or responsibility that is critical to maintaining business operations. This may include placing the employee in an acting or interim status.
- An augmentation is in addition to, separate from, and does not affect an employee's base salary rate, and will end upon conclusion of the temporary assignment.
- Authorization and approval for temporary assignment compensation must be gained **prior to the start date** of the assignment utilizing the appropriate form and process as designated by Human Resources.
- Both exempt and non-exempt employees are eligible for an augmentation.



Augmentation Pay

Additional pay for a temporary assignment may be approved for an employee if all of the following criteria are met:

The additional duties to be performed are clearly differentiated from the duties normally performed by the employee,

The additional duties to be performed are usually assigned to an equal or higher pay classification than the employee's regular position,

The additional duties are not to be performed on a permanent basis,

The additional duties are to be performed for at least four (4) weeks, but typically not more than six (6) months.

Augmentation Pay

Payments may be calculated as an additional fixed dollar amount per pay period or may be calculated as a percentage of the employee's regular base salary. An augmentation may not exceed **twenty (20) percent** of the employee's base salary unless an exception is approved by the Institution CEO, or their designee as set out in Institution policy. Authority to approve an exception to the 20-percent limit may not be delegated below the level of Vice Chancellor/Vice President.

The appropriate amount to propose for a temporary assignment is dependent on multiple factors including but not limited to the appropriate pay grade or pay rate for the vacant position or role and associated duties, the amount of new duties being taken on temporarily, and the qualifications of the employee taking on the temporary assignment compared to the minimum qualifications for the vacant position and/or role.

HR Compensation can provide guidance on augmentation amounts.

Task Payment

- A task payment is additional compensation paid to an **exempt** employee for work based on completion of a task assignment.
- Only regular exempt employees are eligible for task pay.
- A task assignment is a onetime service or project with a specified duration that is separate from an exempt employee's position and is performed outside and in addition to the exempt employee's regular work schedule.
- The rate of pay for a task payment should be reflective of the scope and type of work performed in the task assignment.
- Authorization and approval for temporary assignment compensation must be gained **prior to the start date of the assignment** utilizing the appropriate form and process as designated by Human Resources. Any task payment submitted for assignments completed without prior approval as required by policy must be approved, in writing, by the Institution CEO.

Additional Compensation Opportunities

- Other compensation opportunities such as certification pay, shift differential, on-call pay or bi-lingual pay, may exist dependent on the requirements and conditions of employment.
- These opportunities may be initiated by the university to meet ever-changing compensation needs.
- Compensation guidelines will be developed through consultation between the employing department and Human Resources, with approval from the appropriate VP/VC.



Roles and Responsibilities: System Leaders

Communicate

- Communicate openly, regularly, and clearly with the different campuses on compensation processes, policies, and strategy.

Strategy

- Set and communicate system strategy, policy, and operational goals for the different campuses.

Accountability

- Set standard for performance planning, coaching and feedback, and holding their direct/indirect reports accountable for the same

Approval

- Provide ultimate approval for annual campus and individual compensation adjustments, calibration and exceptions.



Roles and Responsibilities: Human Resources

Consult

- Provide strategic consultation to system and campus leadership.

Process Management

- Administer effective hiring and recruitment processes.

Communication

- Develop processes to enhance communication, standards, and consistency across departments and colleges.

Data Analytics

- Provide data to system and campus leadership to support decisions regarding appropriate salaries and compensation adjustments.

Compliance

- Ensure that compensation practices are consistent and equitable across campuses.



Roles and Responsibilities: Campus Leadership

Identify and define

- Identify and define the type of jobs, mix of skills or jobs and staffing levels required to meet departmental objectives.

Compliance

- Administer compensation in accordance with guidelines, policies and procedures.

Review and Recommend

- Recommend salary adjustments or promotional opportunities consistent with established budgetary and approval guidelines and in recognition of demonstrated performance contributions.

Initiate

- Initiate job documentation or description that reflects the current functions, duties and responsibilities.

Assessment

- Periodically, review job documentation to ensure it accurately reflects the duties or responsibilities of the current position, and when necessary, initiate action to review and update.

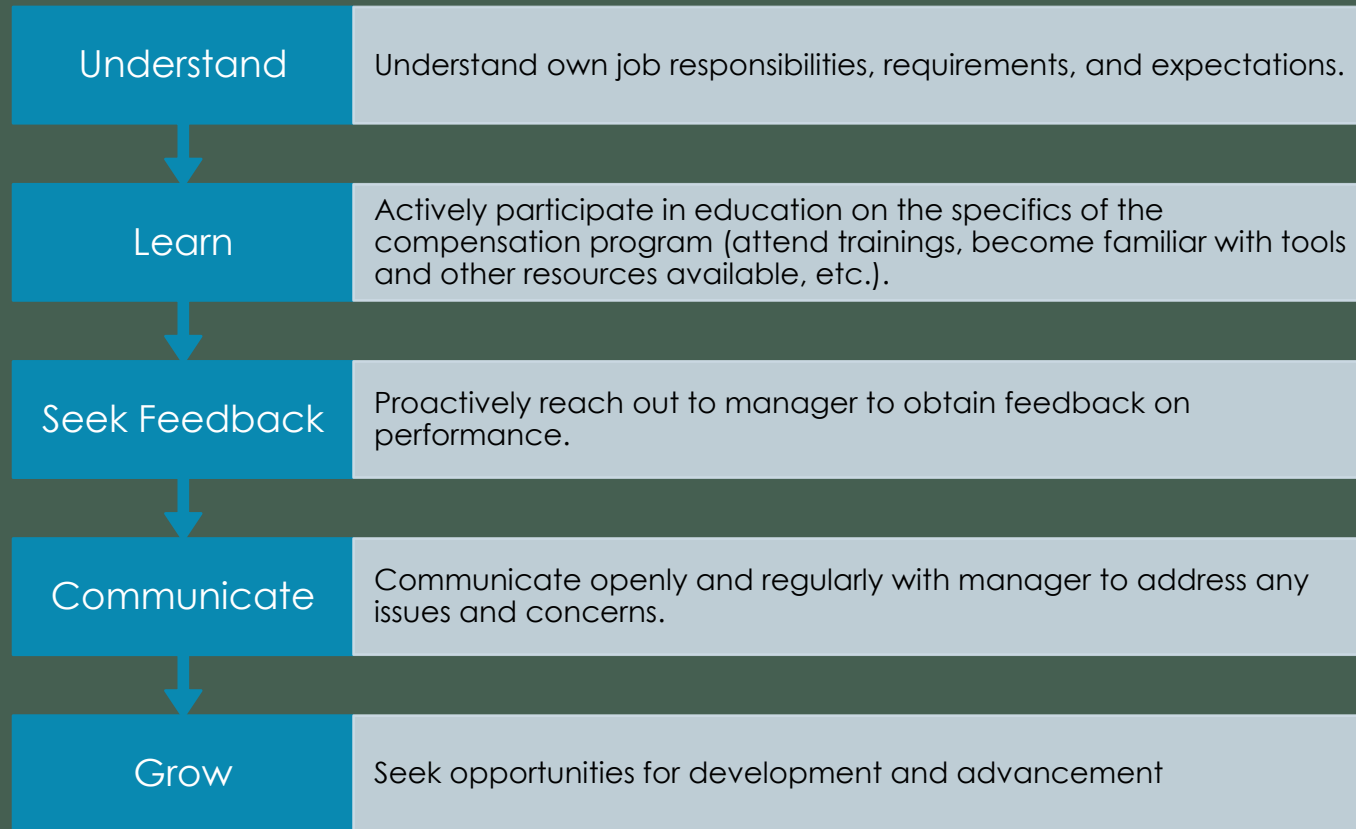
Collaboration

- Collaborate with Human Resources to determine, develop and maintain appropriate salaries, and make recommendations for compensation adjustments.

Accountability

- Set performance expectations, providing clear and helpful feedback, and evaluating performance.

Roles and Responsibilities: Staff



Additional Resources

Compensation

Website: <https://hr.untsystem.edu/supervisor-resources/compensation/index.php>

Contents:

- Guidelines
- Pay Plan
- Forms
- Classification/Reclassification
- Total Rewards
- Position Management
- Glossary of Terms

Compensation Contacts:

- UNT
 - Jayne Colavecchia
 - Aidee Vaidya
- HSC
 - Kareem Crosdale
 - Stacie Fredrickson
- UNT Dallas
 - Vanessa Rosas
- UNT System
 - Melinda Lilly