

Applies to: (examples; Faculty, Staff, Students, etc)

Faculty , Staff

Policy Overview:

Issued: 12-01-2019

Next Review Date: 02-15-2023

Frequency of Review: Annually

This policy defines base pay and supplemental pay categories for employees. Defining different pay classifications assists the University in maintaining a compensation structure that is internally equitable, externally relevant to labor markets, compliant with regulations and contracts that impact pay, and emphasizes alignment in pay with the University's mission and goals.

Definitions:

Term	Definition
Base Salary	Base salary is the annual compensation paid by the University for an employee's position whether that employee's time is spent on research, teaching or other activities. In general, the base salary is established by each College/Department in consideration of the employee's performance, relevant skills, job experience, external labor market, internal equity, UHSP salary ranges and budgetary constraints. Base salary includes base salary and certain salary components (such as additional administrative responsibilities) but excludes bonus, honorarium and incentive payments. Base salary for hourly staff is based on budgeted, regular scheduled hours.
Supplemental Pay	Supplemental or additional pay for employees may be appropriate and can include: <ul style="list-style-type: none"> • interim administrative appointment stipend • academic year employees receiving pay for summer work • compensation for additional work outside the range of assigned workload and/or supplemental teaching assignments • Honorariums/stipends (e.g. continuing education courses or additional courses beyond typical workload range) • Bonus/prize awards

Details:

Authority for salary administration

Much of the salary and wage administration process takes place within Human Resources, however; it is the responsibility of the Deans, Department Heads, Vice Presidents and other members of management to support equitable application of salary administration within the University. Human Resources is responsible for working with University Administration to develop and administer compensation standards, including but not limited to:

- Determining salary ranges and recommending changes in salary structures necessitated by internal or external conditions;
- Establishing job classification methods and ensuring positions are classified properly, including assigning exempt/nonexempt status;
- Working with General Counsel to ensure compliance with pertinent laws and regulations as they apply to compensation, including but not limited to federal Uniform Guidance and regulations regarding sponsored research programs;
- Communicating and monitoring adherence to salary increase guidelines; and
- Submitting merit salary increase recommendations to University Management for approval (See Handbook Merit Salary Increases, Section 4.4 for merit salary policy and procedures).

Salary reporting for sponsored work

In all submissions for funding for sponsored work, the Base Salary is used as the employee's salary. Base Salary may not be increased as a result of replacing UHSP salary funds with National Institutes of Health grant funds or other grant or contract funds. Base Salary and full-time equivalent (FTE) (as shown in the payroll system) of an employee will not be increased or decreased during a fiscal year as a result of receipt or loss of salary support from grants, contracts, clinical income or other revenues.

The regulations issued by the federal agencies or other sponsors often include restrictions covering direct salary limits for individuals charged to grants, cooperative agreements and contracts. This includes caps on salary that can be charged. These salary caps can change from year to year based on the agency. Direct salary is exclusive of fringe benefits and facilities and administrative (F&A) expenses, also referred to as indirect costs. Compensation for individuals under awards from federal agencies and most other sponsors cannot exceed a stipulated rate of pay per year or per academic appointment. Guidelines generally state the amount charged to a grant cannot exceed a stipulated annual rate of pay. Since some faculty members have academic year appointments, the applicable salary cap for those individuals calculates to 75% of the annual salary cap rate.

The term "rate of pay" can be further described as follows: the rate of salary or wages that an individual earns for services performed (weekly, bi-weekly, monthly). The appropriate salary cap rate must be applied to competing and non-competing awards based upon the federal fiscal year (FFY) (10/01/YYYY – 09/30/YYYY) or other defined measurement period in which the notice of grant award was issued. For faculty members who receive a salary that exceeds the applicable rate, the amount of salary requested/charged to the award must be limited to their effort percentage multiplied by the salary cap rate, as defined grant sponsor. Faculty and administrative staff in the academic departments are responsible for applying the appropriate salary cap rate in all applicable proposals and existing awards.

Changes to Base Salary

Base Salary may be changed at the beginning of any fiscal year, and may be increased or decreased at that time. During a fiscal year, Base Salary of an employee generally will not be changed, except in the following limited circumstances:

- the employee's formal appointment position, and required professional effort, is changed from full-time to part-time, from part-time to full-time, or from one required level of part-time effort to another required level of part-time effort. This will be documented in writing by notice from Human Resources or from the Dean after approval by the appropriate Vice President/Dean, Human Resources and President.
- the employee receives an increase or decrease in salary as a result of assuming, or relinquishing, specific academic or administrative duties, e.g. serving as a department chair or program director. This will be documented in writing by notice from Human Resources or from the Dean after approval by the appropriate Vice President/Dean, Human Resources and President.
- the employee receives a cost of living or merit salary adjustment as part of a specific University project administered in accordance with merit pay procedures as found in the faculty and staff handbooks.
- The employee's position receives a market adjustment as part of a program reviewing salaries of positions within units. This review is coordinated by Human Resources in consultation with Vice Presidents/Deans using salary standards based on survey data, competitors and market data. Changes to salary based on market adjustment will be documented in writing by notice from Human Resources, and approved by the appropriate Vice President/Dean and President, generally during the annual budgeting process.
- the employee receives a salary increase as a result of a retention or equity adjustment, promotion in rank or position, or change in employment responsibilities. This will be documented in writing by notice from Human Resources or from the Dean after approval by the appropriate Vice President/Dean, Human Resources and President.

Responsibilities:

Position/Office/Department	Responsibility
Human Resources	Work with Vice Presidents/Deans on salary administration issues as appropriate documenting changes, rationale and communication and submitting changes for processing
Vice Presidents/Dean	Communicate with Human Resources regarding salary changes and salary issues within their unit including internal inequity, need for position or unit salary review, position classification (exempt/non-exempt) review, and/or market analysis.

Resources:

Faculty Handbook October 2016, policy 4.5.1. Supplemental Pay

Policy Contacts:

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