## **HRM-024**



# **Compensation Program for University Staff Employees**

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**Policy Type University** 

**Contact Office** 

**Total Rewards** 

**Oversight Executive** 

Vice President and Chief Human Resources Officer

**Applies To** 

Academic Division The College at Wise

### **Table of Contents**

### **Policy Statement**

- 1. Assignment of UVA Job Profile
- 2. Merit Increases
- 3. Types of Staff Compensation
  - a. Base Pay
  - b. Non-Base Pay
- 4. Effective Dates
- 5. Quality Assurance
- 6. Pay Transparency Nondiscrimination
- 7. Compliance with Policy

**Procedures** 

### **Reason for Policy**

The University is committed to providing competitive and equitable staff compensation, while complying with federal laws pertaining to equal pay for equal work. This policy establishes University Staff compensation practices that will attract and retain an outstanding workforce.

#### **Definition of Terms**

#### **Bonus**

A one-time payment that is not a part of the employee's base pay.

### **Compensation Factors**

This includes employee qualifications, experience, performance, market pay range, and organizational strategic & operational objectives.

### **University Staff Employees (University Staff)**

Those salaried, non-faculty employees hired on or after July 1, 2006, and those salaried non-faculty employees and administrative and professional faculty electing to participate in the UVA Human Resources System established by the Board of Visitors under the authority granted by the *Restructuring Act* and the *Management Agreement*. (The term "University Staff Employee" includes all three categories of University staff employees - Operational & Administrative, Managerial & Professional, and Executive & Senior Administrative.)

### **UVA Job Profile Structure**

A standardized set of approved UVA job profiles for use across Grounds. Based on a position's job responsibilities, profiles are grouped by job families, divided into sub-families, and broken down by title. Each profile has key information associated with each title, including duties and responsibilities, education and experience, expertise, pay range, and the compliance coding.

#### **UVA Job Title**

The descriptive title assigned to a group of positions whose duties and responsibilities are the same kind of work, at a similar skill and responsibility level, requiring substantially the same qualifications. A single pay range, based on market data, is assigned to each UVA Job Title.

### **Policy Statement**

The University Staff Compensation Program is intentionally designed to attract, motivate, develop, and retain qualified employees, and support the University's performance management and career development processes. Both University Human Resources (UVA HR) and Schools/units/departments perform important roles in managing pay for all full- and part-time University Staff under this policy.

#### 1. Assignment of UVA Job Profile:

Schools/departments/units consulting with UVA HR as needed, determine the appropriate UVA job profile for each position, based on review and analysis of the work performed and comparison to the job description.

#### 2. Merit Increases:

Schools/departments/units provide merit increases based on employee performance and other compensation factors as outlined in UVA HR's annual Merit Increase Guidelines if the University provides approval for an annual merit increase. Merit increases may take the form of either base pay or non-base pay, as outlined in the annual Merit Increase Guidelines developed for that merit cycle.

#### 3. Types of Staff Compensation:

There are two types of staff compensation – base pay and non-base pay:

#### a. Base Pay:

The University uses market-based pay ranges assigned to UVA Job profiles as the foundation for its base pay compensation practices. Market-based pay ranges are determined by UVA HR using

standard compensation best practices.

An employee's base pay is determined using a holistic set of compensation factors including the market pay range, employee qualifications, experience, performance, and organizational strategic & operational objectives. Base pay within thresholds outlined in this policy and the Compensation Procedures is approved by the top official in the school/department/unit or their designee. Compensation exceptions are approved by UVA HR.

#### i. Starting Pay:

Schools/departments/units determine salary offers for external candidates being offered positions in their units, based on the compensation factors, the candidate's qualifications and within the first two-thirds of the market range.

### ii. Internal Hire Pay Adjustment:

Schools/departments/units determine pay adjustments for internal candidates being hired in their units based on the type of job change being made, the compensation factors, the employee's qualifications, and salary placement within the first two-thirds of the market range.

There are three types of job changes:

**Promotion:** A job change to a UVA job profile with a higher level of responsibility.

**Demotion:** A job change to a UVA job profile with a lower level of responsibility. Demotions may occur for the following reasons:

- Employee-initiated, typically through the competitive hiring process.
- Management-initiated based on change in job duties and responsibilities.
- Management-initiated disciplinary action involving job reassignment.

**Lateral Transfer:** A job change to a UVA job profile with a similar level of responsibility.

Pay ranges, and an employee's salary placement within the range, may change for several reasons, including market adjustments to the job profile or a pay adjustment that corresponds with changes in job responsibilities. Compensation for all job changes is determined based on review of the compensation factors.

### iii. Off-Cycle Pay Adjustments:

Schools/units/departments may provide off-cycle pay adjustments for reasons such as changes in job duties, market, equity, retention/counter offers, etc., considering the compensation factors. Off-cycle pay adjustments may increase or decrease salary. Off-cycle pay adjustments not tied to the competitive hiring process but include a change in UVA job profile require an updated job description.

#### b. Non-Base Pay:

Non-base pay is approved by the top official in the school/department/unit or their designee. Non-base pay consists of:

#### i. Bonuses:

Schools/departments/units fund and provide bonuses (including those awarded via gift cards) to recognize contribution, achievement of significant performance milestones, and/or address specific organizational needs (such as recruitment or retention). The fiscal year total for bonuses received by each employee may not exceed \$5,000 or 10% of the employee's base salary, whichever amount is greater. Sign-on bonuses and contractual bonuses are excluded from the fiscal year bonus thresholds, as are annual merit bonuses.

Schools/departments/units should clearly communicate bonus programs/opportunities and build equal opportunity into the design and implementation of bonus programs. Schools/departments/units may establish more restrictive and/or descriptive criteria for bonuses than those defined above but may not increase the dollar thresholds outlined above. Exceptions to total dollar thresholds must be approved by the Vice President and Chief Human Resources Officer in advance of communicating such to the employee.

### ii. Non-Monetary Rewards:

Schools/departments/units may provide non-monetary items or additional leave (up to five days per calendar year) for employee recognition. The value of non-monetary rewards counts towards the dollar thresholds identified in the above section on Bonuses.

#### iii. Period Activity Pay:

Schools/departments/units use this pay practice when a business need indicates the necessity to compensate staff for shift, working conditions, call-back, and on-call status.

### iv. Acting Pay (Temporary Pay):

Schools/departments/units use this pay practice to provide additional pay to an employee who temporarily takes on substantially greater responsibility than their assigned position. Acting Pay is established at 10% of current salary and is provided for up to one year. In rare situations, such as when an employee is acting in a position several organizational levels higher than their assigned position, acting pay may be set at 15% of salary. Exceptions must be approved by UVA HR.

#### 4. Effective Dates:

For all pay actions, effective dates are established at the beginning of a bi-weekly pay period, and on a prospective basis. Retroactive increases are discouraged.

### 5. Quality Assurance:

Schools/departments/units partner with UVA HR to facilitate fair and consistent administration of the staff compensation program. Any policy compliance issues are reviewed with school/department/unit senior leadership. To maintain a consistent approach to job titling, UVA HR is authorized to change UVA job profiles that are incorrectly assigned.

### 6. Pay Transparency Nondiscrimination:

The University will not discharge or in any other manner discriminate against University Staff or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of another University Staff or applicant. However, University Staff who have access to the compensation information of other University Staff or applicants as a part of their essential job functions cannot disclose the pay of other University Staff or applicants to individuals who do not otherwise have access to compensation information, unless the disclosure is (a) in response to a formal complaint or charge; (b) in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the University; or (c) consistent with the University's legal duty to furnish information.

### 7. Compliance with Policy:

Failure to comply with the requirements of this policy may result in disciplinary action in accordance with relevant University policies. Repeated policy non-compliance will result in loss of compensation approval authority.

Questions about this policy should be directed to Total Rewards.

#### **Procedures**

**Rewards and Recognition** 

#### **Related Information**

HRM-029: Managing Staff Wage Employment

Major Category Human Resource Management

Next Scheduled Review Tuesday, April 8, 2025

**Revision History** 

Updated 4/8/22; Updated Bonus amount, added Section 7 9/7/21; Added Section 6 12/2/20; Updated 9/21/15, 5/16/12, 10/8/09.

#### **Applies To Text**

Academic Division and the College at Wise.

### **Policy Summary**

The Compensation Program supports the University's goal of attracting, motivating, developing, and retaining qualified employees using market-based salary ranges and compensation practices designed to reward and promote performance, job growth, and career development. This policy aligns with the University's Total Rewards Commitment. It is the University's practice to provide compensation increases to benefits eligible, exempt and non-exempt University Staff through the annual merit increase cycle, when feasible, and to provide flexibility to respond to exceptional circumstances such as retention and additional responsibilities outside of the annual process.

### **Supercedes Policy Text**

HRM-024: Pay Practices Program for University Staff.

**Last modified** March 18, 2024 - 2:37pm **Approved By** Executive Vice President and Chief Operating Officer **Approved Date** May 22, 2009 - 12:00pm