

POLICY 5
WAGE AND SALARY ADMINISTRATION

University Policy

Within the framework of applicable law, the University will provide compensation, i.e., wages and employee benefits, consistent with the judicious expenditure of funds entrusted to the University. The level of compensation paid to University employees will be set taking into consideration rates generally paid for similar work by other employers located in the recruiting area and maintenance of internal equity based on position classification factors. Employees with status appointments whose rates of pay are not negotiated, established, or set by law in accordance with prevailing rates for trades and crafts are subject to a salary program(s) which recognizes service and/or individual merit.

The President may issue rules and procedures and take other action as needed to carry out this policy.

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Rule 5.01 - Compensation

Compensation will consist of the base hourly, weekly, monthly, or other wage and the value, in terms of cost to the University, of the employee benefits associated with University employment, such as sick and disability leave, insurance, vacations, holidays, and retirement income. University benefits consist of those provided by the State of Illinois (Central Management Services) as well as University sponsored plans. The University will consider State Universities Civil Service System recommendations regarding compensation and benefits when applicable. Individual benefits and rules for their administration appear under separate sections of Policy and Rules.

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Rule 5.02 - Equal Pay

Equal pay is required pursuant to University policy and federal and state law, in particular, the Fair Labor Standards Act, the Civil Rights Act, the Equal Pay Act, and the State of Illinois Human Rights Act. Differences in pay shall not be based upon such factors as race, color, religion, sex, national origin, ancestry, age, marital status, disability, sexual orientation, unfavorable discharge from the military, or status as a disabled veteran or veteran of the Vietnam era. Employees within a campus or other specified unit who are doing substantially equal work, which requires substantially equal skill, effort, and responsibility, and which is performed under similar working conditions shall receive equal pay, except when a wage difference is based upon some other factor, such as experience, longevity, or merit.

Regulation

5.021 Conformance with Equal Pay Provisions

The head of each campus human resources office shall be responsible for assuring that all rate/range requests as well as individual salary determinations are in conformance with all equal pay provisions prior to proposing or setting such rates.

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Rule 5.03 - Regional Compensation

Regional Compensation Areas

A Regional Compensation Area is the normal geographical area of recruitment for a class at a place of employment. Regional scales of compensation may be established for different places of employment within the University, in accordance with Section 36(k) of State Universities Civil Service Statute, based on the rate of compensation generally paid for similar work in the locality in which the work is to be performed.

Determination of regional compensation scales shall be based on consideration of the market within the Regional Compensation Area by comparing rates paid for similar work by a sample of appropriate employers within the recruiting area. Benchmark classes shall be identified for pay comparison purposes based on comparability with classes used by other employers. Both public and private employers shall be included in sufficient number to comprise a sample of institutions that is not overshadowed by University employment.

Regulation

5.031 **Wage Surveys**

Each campus human resources office, with the guidance of the University human resources office, will conduct and/or obtain appropriate surveys of local and regional rates for benchmark and other classes, and will assist the University office in identifying or making appropriate surveys of regional or national rates. The analysis of the survey data will be based on criteria mutually understood and accepted by each of the human resources offices.

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Rule 5.04 - Types of Pay Plans/General

Four distinct pay plans, i.e., Prevailing Rate, Negotiated, Established, and Open Range will be recognized for Civil Service employees and will be subject to the criteria of Rules 5.01-5.03. Each of the pay plans shall be administered uniformly, irrespective of the source of funds.

Regulation

5.041 Pay Range/Rate Adjustment Proposals

Proposals for setting or changing compensation ranges or single rates, requests for approval of negotiated rates, and determination of prevailing rates and employment conditions may be originated by any individual at any level of the organization. Such a proposal, request, or determination should be submitted to the head of the campus human resources office. If approved, it will be forwarded to the University human resources office for review. The University office will coordinate as needed with other appropriate University offices and, where required, will forward recommendations to the State Universities Civil Service System for approval prior to implementation.

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Rule 5.05 - Pay Retention/All Pay Plans

A status employee who is moved to a position of lower salary level for reasons not relating to his or her performance or conduct may benefit from pay retention. The head of the campus human resources office is responsible for determining when pay retention may apply.

A. Retention of Pay Rate Within Lower Salary Range

The employee's current rate of pay will be retained unless it exceeds the maximum of the lower salary level, in which case the rate of pay will be reduced to the maximum, providing that the following conditions are met:

- (a) The employee is not moving to a position of lower salary level at his or her own request or being terminated from a temporary upgrading assignment.
- (b) The employee has completed a probationary period in his or her present class.
- (c) The employee's performance has been satisfactory or better during the preceding year.

B. Retention of Pay Rate Above Salary Range - Long Service with the University

In unusual circumstances in which the employee involved has had long service with the University and has performed consistently in a superior manner, the Chancellor or a designee may authorize the retention of the employee's current rate of pay for a fixed period of time not to exceed two (2) years, even though the rate exceeds the maximum of the lower salary level.

End of Retention Period

The retention period will end at the earliest opportunity when:

1. The top of the salary range for the employee's lower level position rises to his or her retained rate; or
2. The employee advances to another position with a new rate of pay which is the same or higher than his or her retained rate; or
3. The retention period ends, at which time the employee's pay will be reduced to the top of the range for the position he or she occupies.

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Rule 5.06 - Starting Rates of Pay/All Plans

Starting rates of pay will normally be the base rate of the class but may be adjusted by candidates' qualifications, market conditions, or other factors. The head of the University human resources office or a designee may issue regulations recognizing other factors as appropriate.

Regulations

5.061 **Starting Rate of Pay Determination**

Normally, the starting rate will be the minimum pay rate applicable to the class, especially in filling a position with a low level skill requirement. A higher starting rate may be used when necessary to attract an adequate number of qualified candidates or to obtain the services of an applicant with exceptional qualifications, such as training, experience, salary history, or other relevant criteria, unless specified otherwise in a negotiated agreement.

5.062 **Responsibility for Starting Pay Determinations**

Each campus human resources office shall develop written criteria and procedures for the determination of starting rates of pay in excess of the minimum rates. Such procedures shall include consideration of the pay history and qualifications of current employees in relation to those of the candidate. The decision to set an initial starting rate in excess of the range minimum must be approved by the head of the campus human resources office or a designee.

When it is necessary to pay starting rates above the minimum rate assigned to a class on a regular basis in order to recruit candidates, the University human resources office shall be informed in order to review the salary assigned to the classification.

5.063 **Training Programs**

The starting rates of pay and any progressive rate increases for learners, trainees, and apprentices will be established as a part of each training program. Rates will relate to the extent of the training required and must be approved by the campus office of human resources.

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Rule 5.07 - Anniversary Date Determination/Some Negotiated Pay Plans

Anniversary dates used in determining longevity pay increases may be adjusted as required to maintain equitable treatment of employees within pay plans.

Regulation

5.071 Adjustment of Dates

The anniversary date is used to determine the date of individual pay increases for employees subject to certain negotiated agreements which provide determination of pay increases based upon longevity. The date is set initially as the date of the employee's status appointment in a class, and may be adjusted in accordance with procedures established by each campus human resources office.

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Rule 5.08 - Compensation Actions/All Pay Plans

The head of the University human resources office shall issue and modify regulations pertaining to the administration of personnel actions as necessary to maintain equitable salary administration practices.

Regulations

The regulations below apply to personnel actions under all pay plans unless a collective bargaining agreement specifies otherwise. When a personnel action involves a move to a different pay plan, the conditions of the pay plan to which the employee is moving will prevail.

5.081 Career Path Change

When the move of an employee to a new class is determined by the campus human resources office to be a career path change, the employee's new salary will be determined as follows:

Move to Lower Level Class: Starting salary guidelines apply (see Rule 5.06).

Move to Higher Level Class: Promotional guidelines apply (see Regulation 5.085).

Move to a Class at the same Salary Level/Grade: Reassignment guidelines apply (see Regulation 5.086).

5.082 Demotion

Demotions are initiated by the University in compliance with Section 250.110(f) of the State Universities Civil Service System Statute and Rules. Upon demotion, an employee's base salary will be reduced by a minimum of 4 percent. In some cases, a reduction of 4 percent is inappropriate due to the nature of the demotion, and greater reduction may be warranted. In no case will any employee's base salary be permitted to exceed the maximum of the salary range for the new class. If the class to which the employee is demoted is in the same promotional line, the amount that represents a promotion may be subtracted before determining the appropriate rate for the lower class.

5.083 Dismissal During Probationary Period Following Promotion

The salary of an employee dismissed during a probationary period following promotion will change to the rate for the lower class which represents the salary that would have been attained had the employee not been promoted, including any general, periodic, or longevity increases for which the employee would have been eligible.

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Rule 5.08 - Compensation Actions/All Pay Plans

Regulations (Continued)

5.084 Effective Dates of Personnel Actions

Personnel actions normally will be effective the first day of the pay period following the date of approval, unless specified otherwise in Policy and Rules or in a negotiated agreement. When the effective date of a pay increase and the effective date of another personnel transaction occur in the same pay period, the actions will be processed in the order that gives the employee the greater benefit. Effective dates for promotional reclassifications or reallocations, as discussed in Rule 3.04, normally will be the beginning of the pay period during which the initial campus review or audit is conducted, providing the incumbent has passed the required Civil Service examination. If the incumbent has not passed the examination, the effective date shall be the beginning of the pay period immediately following the date the incumbent passes the examination.

5.085 Promotion

A promotion always results in a pay increase. An employee must be paid at least the minimum rate of pay for the new class, but cannot be paid more than the maximum rate for the new class. Outside of these restraints, a promotional increase shall normally be at least 4 percent but generally shall not exceed 10 percent. Requests for promotional increases above 10 percent to reflect such factors as superior qualifications for the new position or other conditions associated with assignment to the higher classification require prior approval of the Chancellor or his or her designee. A move by an employee that involves classes under different pay plans but is termed a promotion shall receive an increase of at least 4 percent unless such an increase would exceed the rate maximum or be contrary to a negotiated agreement.

5.086 Reassignment

Upon lateral movement within the same place of employment from one position to another in the same class or to a different class assigned to a comparable salary level, an employee's base salary normally will not change. However, if the employee moves to a position in a different class, and possesses unique qualifications for the new classification, the employee's new salary may be determined in accordance with starting salary guidelines (Rule 5.06).

5.087 Return from Leaves that Require Maintaining Salary Equity

An employee returning from military leave, or other leave wherein the University must by law maintain salary equity, will be placed at a rate which reflects the salary increases to which the employee would have been entitled during the period of leave.

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Regulations (Continued)

5.088 Separation and Subsequent Reappointment

Upon separation from employment in good standing, as determined by each campus human resources office, and subsequent reappointment without a substantial break in service (less than six (6) months), the employee's returning salary will be determined as follows:

- A. Return to a position in the same class or in a class at the same salary level
The employee shall be placed at the same salary as before the separation plus any general increase that would have been granted during the period of separation.
- B. Return to a position in another class of a higher level
The employee shall receive any resulting salary increase that would have been granted in accordance with conditions and requirements applicable to promotions (see Regulation 5.085).
- C. Return to a position in another class at a lower level
Starting salary guidelines shall apply (see Rule 5.06).

5.089 Temporary Downgrading

When an employee is assigned to a lower level position on a temporary basis in accordance with Civil Service Rule 250.100(b), the employee's salary in his or her permanent position will be maintained.

5.0810 Temporary Upgrading

An employee who is assigned on a temporary basis to a position of higher rate or range, in accordance with Civil Service Rule 250.100(b) shall receive a temporary increase in pay during the assignment similar to that provided by the promotion regulation (see Regulation 5.085).

5.0811 Transfer to a Different Place of Employment

The movement of a status employee from one place of employment to another within the University and in the same class may result in a pay adjustment. Different pay ranges/rates for many classes or positions have been established because of dissimilar economic market or other conditions in different geographic areas. The salary of an employee moving from one such area to another without change in class shall be adjusted upward or downward to a rate that represents the same relationship to the pay

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Regulations (Continued)

range previously attained, effective the first day of the pay period following the move/date of the transfer. If different pay plans are involved in the transfer, service in class and the rate that would have been attained if the employee had always been employed under the receiving pay plan shall be considered.

5.0812 Voluntary Acceptance of a Lower Class

A reduction in salary of at least 4 percent will apply to personnel actions that involve the voluntary acceptance of positions in lower-level classifications that are not considered career path changes. In such cases, the minimum reduction will be to a rate in the new class that is equivalent to 96 percent of the employee's salary in his or her former class. In no case will any employee's base rate be permitted to exceed the maximum rate for the new class. In certain cases a reduction of 4 percent is inappropriate due to the nature of the reduction in class, and additional reductions may be warranted. If the class to which the employee accepts a voluntary reduction is in the same promotional line, or is the same class from which the employee was promoted, the percent increase that represents a promotion may be subtracted before determining the appropriate rate in the range for the lower class.

5.0813 Voluntary Acceptance of a Lower Class During Probationary Period Following Promotion

The employee's salary will be reduced to the rate for the lower class which represents the salary the employee would have attained if he or she had not been promoted, including any general salary increase for which the employee would have been eligible.

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Rule 5.09 - Pay Plan Type: Prevailing Rate Pay Plan

The head of the University human resources office will recommend to the State Universities Civil Service System for Merit Board approval any warranted changes in the classes for which the Prevailing Rate of Wages is to be paid and shall recommend a rate for each class of positions determined to be a prevailing rate class by the Merit Board. This rate shall take into consideration any recommendation made by the Merit Board Policy Relating to Employee Benefits to insure conformity with the prevailing rate principle as provided by the State Universities Civil Service System of Illinois Statute.

Regulations

5.091 Rate Adjustments

Rate changes for classes under the Prevailing Rate Plans will be effective on the same date as the effective date of the appropriate local collective bargaining agreements following receipt of proper notification by the head of the campus human resources office. If the local prevailing rate declines during a fiscal year, the University will follow such decline.

5.092 Copies of Agreements

Copies of collective bargaining agreements that determine the prevailing rate shall be acquired and be available at each campus human resources office.

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Rule 5.10 - Pay Plan Type: Negotiated Rate Pay Plan

Based on the conditions set forth in Policy 15, Labor Relations and Negotiations of these Policy and Rules and as authorized by the State Universities Civil Service System Statute and Rules, wage rates or pay ranges may be negotiated. Consistent with the judicious use of funds and considering the available resources, market trends, and other related factors, negotiations will be in accordance with provisions of Policy 15; rates or ranges developed through negotiations will be effected as prescribed in that chapter.

Regulations

5.101 Range/Rate Adjustments

Changes in negotiated pay rates or ranges and the timing thereof will be in conformance with the collective bargaining agreement.

5.102 Pay Increases

Employees shall receive any general contract increases effective on the date(s) specified in the contract for such increase(s). If longevity increases are included in the negotiated agreement, they will be effective at the beginning of the pay period following completion of time requirements if the contract does not specify otherwise.

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Rule 5.11 - Pay Plan Type: Established Pay Rates

The establishment of ranges or single rates of pay will be authorized for certain classes in order to adequately reflect their relation to negotiated or prevailing rate classes or particular market conditions. These classes shall be assigned to the Established Pay Plan and the basis of their rates/ranges specified.

Regulations

5.111 Range/Rate Adjustments

Review and adjustment of the ranges of pay for classes designated Established will conform to the pay plan to which it more closely relates: i.e., if a class is tied to or related to a negotiated or prevailing rate type, the date of the adjustment will generally conform to that date; if the class is related to more general local rates, the adjustment will be made at the same time as adjustments to classes under the Open Range Plan.

5.112 Pay Increases

Employees in classes for which a rate or range of pay is Established will normally receive a general increase at the time the rate or range is adjusted. Generally, in Established rate type classes that have a range of pay, the head of the campus human resources office or a designee will recommend the mechanisms of progression through the range (by class or group of classes) to the head of the University human resources office or a designee for approval.

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Rule 5.12 - Open Range Pay Plan

An Open Range Pay Plan shall be developed and maintained by the University human resources office, consistent with State Universities Civil Service System rules and the judicious expenditure of funds. Each Chancellor is delegated authority to administer the Open Range Pay Plan for his/her campus and to issue supplemental rules and procedures consistent with those of this chapter. The President may authorize suspension or modification of the structure or operation of the Open Range Pay Plan if circumstances warrant.

The Open Range Pay Plan will consist of salary grades of various range lengths to provide for recognition of different levels of responsibility and variations in performance. Classes will be assigned to salary grades based on position classification factors in order to maintain internal equity and alignment. Pay ranges established for grades shall reflect comparable market values for classes of work within each grade but shall be adjusted as appropriate to relate equitably to the pay ranges established for all other salary grades. A single pay range for each grade shall be established by the University within each Regional Compensation Area. Pay ranges for grades encompassing classes which primarily respond to a national market shall be uniform among all Regional Compensation Areas.

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Rule 5.13 - Open Range Pay Plan/Annual Range Review

A review of pay ranges to determine significant changes in comparable outside wages will be conducted annually. Considering available funding resources and other related factors, the University, subject to the approval of the State Universities Civil Service System, may adjust ranges as appropriate to reflect market trends, aligning ranges internally in relation to the skill and qualification requirements of the respective classes.

Regulations

5.131 Annual Range Review

The head of the University human resources office or a designee will coordinate a review of the salary grade structure each salary year, utilizing composite survey data. Recommendations for appropriate adjustments to the salary grade structure and pay ranges shall be submitted to the State Universities Civil Service System based on a review of this data and consultation with appropriate campus administrators. Any range adjustments resulting from the annual review process for the next salary year normally will be effective the first day of the pay period following the last full pay period ending in August (never earlier than August 19 or later than September 1).

5.132 Salary Range Adjustments - Effect on Employee Salaries

Whenever salary range adjustments occur, the salaries of all status employees that are below the new range minimum rates will be adjusted to meet the new minimum rates, effective the same date as the range adjustment. Considering internal equity and other factors that determined the range adjustment, other salary increases may be extended to some or all other Open Range employees.

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Rule 5.14 - Open Range Pay Plan/General Increases

Each year, the head of the University human resources office or a designee, will consult with appropriate campus administrators to determine if any general salary increases for Open Range employees will be granted. The determination shall be based upon consideration of the amount of any pay range adjustments, general market conditions, distribution of current employees within existing ranges, overall funds available for salary increases, and any other relevant factors.

Regulation

5.141 General Increase Exceptions

When a General Increase is awarded by the University, Open Range employees will be eligible to receive the increase with the exception of those noted below:

A. Employees paid above the range maximum

An employee who is paid above the range maximum rate due to the pay retention rule (see Rule 5.05) will not receive any General Increase unless the new range maximum exceeds the employee's current pay rate. If it does, the employee will be eligible to receive a General Increase up to the amount provided all other Open Range employees, but under no circumstances shall the employee's new pay rate exceed the new range maximum.

B. Learners and Trainees

Employees in learner or trainee appointments shall receive General Increases sufficient to maintain their salaries at the same percentage of the minimum of the range specified in the conditions of the learner and trainee programs.

C. Employees subject to proposed dismissal or discharge

Unit heads may request that a General Increase be withheld in any case in which an employee is subject to proposed dismissal or discharge, provided that the employee's salary is at or above the new minimum. Such withholding requires the approval of the campus head of human resources or a designee.

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Rule 5.15 - Open Range Pay Plan/Merit Increases

The purpose of the Merit Increase Program is to establish and maintain an appropriate relationship between an employee's performance and pay. Merit Increases, in conjunction with any General Increases that may be granted, will enable unit heads to adjust employees' salaries within ranges. Merit Increases may be granted to eligible status employees whose salaries are below the range maximum.

The overall parameters for the Merit Increase Program shall be determined each salary year by the head of the University human resources office in consultation with appropriate campus administrators. The overall range of Merit Increases that may be awarded to employees on each campus and in University Administration units shall be determined separately by campus and University Administration officials, considering budget guidelines. Each campus shall develop guidelines for the administration of the merit program. The guidelines should address the range of allowable individual increases, the levels of approval required, and the need for any supporting documentation.

Regulations

5.151 Eligibility

- A. To be eligible, an employee must be employed in a status Open Range position, and must have completed the probationary period for the class. Note that provisional, temporary, learner or trainee positions are not status appointments, therefore employees in these positions do not qualify for Merit Increases.
- B. The new base salary of any employee may not exceed the maximum of the range for the class.

5.152 Effective Date

Generally, Merit Increases for eligible employees will be awarded at the beginning of the salary year, i.e., the date of Annual Range Adjustment and/or General Increase. Employees serving a probationary period at that time may be granted a Merit Increase within 30 calendar days following completion of the probationary period. An employee may receive only one Merit Increase each salary year.

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Rule 5.16 - Open Range Pay Plan Personnel Actions

Certain personnel actions apply only to status employees in classes covered by the Open Range Pay Plan. Such actions shall be specified by the head of the University human resources office. Personnel actions that apply to all pay plans are contained in Rule 5.08.

Regulations

5.161 Administrative Adjustment

An employee may receive an upward or downward administrative adjustment in his or her base salary to correct a previous error (misapplication of a policy or rule or incorrect recording of a pay rate) or oversight (nonapplication of a permissive policy or rule). These adjustments must have the prior approval of the head of the campus office of human resources or a designee. In some cases, an adjustment of an employee's base salary is considered essential but is not provided for by the normal operation of the Policy and Rules nor by the administrative error or oversight provisions. In this situation, if the campus office of human resources views the adjustment as an essential exception type case, the Chancellor or a designee should forward the request in writing with all relevant back up material for review by the University human resources office. Each special exception case must receive the written approval of the head of the University human resources office prior to implementation.

5.162 Reallocation of Position to a Class in Lower Salary Grade

When a position is reallocated to a class in a lower salary grade and the employee elects to remain in the position, the employee's base salary will be handled as provided by the pay retention rule (see Rule 5.05).

5.163 Reevaluation/Regrade

When the salary grade assigned to a class is reevaluated and a different salary grade is assigned based upon change in relation to other classes or to the labor market, an employee's salary will remain the same, except as follows:

Assignment to higher salary range

If a higher salary range is assigned to a class and the salary of an employee occupying a position in the class is not at a rate within the new grade, the employee's salary shall be advanced to the minimum rate of the new salary range. If warranted by the circumstances surrounding the regrade, the head of the campus human resources office may authorize additional salary increases for some employees in the class, but in no event shall such a salary increase place an

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employee at a rate that exceeds the range position (percentage above the range minimum) previously attained in the lower salary grade.

Assignment to lower salary range

If a lower salary range is assigned to a class and the employee's salary is above the maximum of the new range, the employee's salary will be handled in accordance with the pay retention rule (see Rule 5.05).

5.164 Special Salary Programs

The salary of any employee may not exceed the maximum of the range. However, recognizing that employees who reach range maximum may continue to make above average contributions to the University through their job performance, special salary programs may be implemented as long as such programs do not produce a continuing liability in terms of recurring salary increases.

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Administrative Adjustment

An upward or downward change in base salary to correct a previous error (misapplication of a policy or rule or incorrect recording of a pay rate) or oversight (nonapplication of a permissive policy or rule). Requires approval of the head of the campus human resources office or the head of the university human resources office. Applies to Open Range Pay Plan. (See Regulation 5.161.)

Anniversary Date

Date used to determine the date of individual pay increases if a negotiated agreement provides pay increases based on longevity. Initially the date is set as the date of an employee's status appointment in a class; it may be adjusted to reflect the time an employee is in non-pay status while on leave from a position. Applies to some negotiated bargaining agreements. (See Rule 5.07.)

Annual Range Review

A review of Open Range Pay Plan salary ranges to determine significant changes in outside wages, normally conducted by the university once a year. Based on the review, pay structures may be adjusted to reflect the market and internal relationships. (See Rule 5.13.)

Base Salary/Base Rate

The amount specifically designated as an employee's rate of pay, excluding overtime pay, shift differential pay, deductions for time not worked, or special or incremental premiums for pay for special work or working conditions.

Career Path Change

An appointment in a new class that is unrelated to an employee's current class. Career path changes are characterized by responsibilities that represent a significant departure from work performed in the employee's previous position. (See Regulation 5.081.)

Compensation

The base hourly, weekly, monthly, or other wage plus the value of the employee benefits associated with University employment, such as sick and disability leave, insurance, vacation, holidays, and retirement income. (See Rule 5.01.)

Date in Class

Date of an employee's status appointment in a class.

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Demotion

A personnel action initiated by the University in compliance with Section 250.110(f) of the State Universities Civil Service System Statute and Rules and resulting in a pay reduction. (See Regulation 5.082.)

Differential Pay

Compensation added to an employee's base salary as a result of conditions of employment, such as a shift differential.

Effective Date

The date personnel actions are implemented. (See Regulations 5.084 and 3.043.)

Established Pay Plan

Ranges or single rates of pay authorized for certain classes in order to adequately reflect their established relationship to negotiated or prevailing rate classes or particular market conditions. (See Rule 5.11.)

Equal Pay

Payment of like wages to employees who are doing substantially equal work, which requires substantially equal skill, effort, and responsibility, and which is performed under similar working conditions. Equal pay is required by federal and state law and university policy. (See Rule 5.02.)

General Increase

A pay increase awarded to all eligible employees under the Open Range Pay Plan. (See Rule 5.14.)

General Contract Increase/Contract Implementation Increase

A pay increase awarded to all eligible employees according to the terms of a negotiated agreement.

Lateral Reassignment (See Reassignment.)

Maximum of Range/Maximum Rate

The highest rate of pay assigned to a class.

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Merit Increase

A pay increase that recognizes individual performance. Applicable to employees on the Open Range Pay Plan (see Rule 5.15), some established plans, and some negotiated agreements.

Minimum of Range/Minimum Rate

The lowest rate of pay assigned to a class.

Negotiated Rate Pay Plan

Wage rates or pay ranges established through negotiations with bargaining groups in accordance with the provisions of Policy 15, Labor Relations and Negotiations. (See Rule 5.10.)

Open Range Pay Plan

A pay plan developed and maintained by the University Office of Human Resources, consisting of assignment of classes to salary grades based on position classification factors. Salary ranges are established for each salary grade. (See Rules 5.12 - 5.16.)

Pay Ranges (See Salary Range.)

Pay Retention

Retaining the current salary level of a status employee who is moved to a position of lower salary level in order to correct a misclassification or for other reasons not relating to his/her performance or conduct. (See Rule 5.05.)

Periodic Increases

Advancement within a salary range at intervals specified by a negotiated agreement, until an employee reaches the maximum rate. Such advancement is generally based on longevity or an employee's anniversary date in class, depending on the conditions of the agreement.

Periodic Steps

The division of salary ranges for some negotiated pay plans into different rates of pay. Employees receive step increases to move through the range periodically, usually based on longevity, until they reach the maximum of the range.

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Prevailing Rate Pay Plan

The compensation plan that applies to those classes determined to be prevailing rate classes by the Merit Board, in conformance with the State Universities Civil Service System Statute. (See Rule 5.09.)

Promotion

A promotion may occur when an employee's position is reclassified or reallocated to a higher level class or when a current status employee fills a vacant position which is of a higher level class than that which the employee formerly occupied. (See Regulation 5.085.)

Promotional Line

A series of classes that represents different levels of responsibility and complexity for the same type of job duties. Promotions frequently involve movement to higher levels within a promotional line.

Range/Rate Adjustments

Changes to pay rates or ranges made after review by the University and/or following negotiations with negotiated groups, or following changes in local prevailing rate agreements. (See Regulations 5.091, 5.101, 5.111, and 5.132.)

Range Length

The percent difference between the minimum and maximum rates of pay. Range lengths within a particular pay plan may vary, with shorter ranges applying to classifications with lower levels of responsibility, and longer ranges applying to classifications with higher levels of responsibility and complexity. Applicable to the Open Range Pay Plan and some negotiated plans.

Reallocation

Assignment of an existing position to a class which is in a different promotional line, or to a class which is not a part of any promotional line.

Reassignment

The movement of an employee from one position to another in the same class or to another class assigned to a comparable salary level (salary range); or the personnel action that accompanies the reallocation of a position to another class assigned to a comparable salary level.

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Reclassification

Assignment of an existing position to a class at a different level within the same promotional line.

Reevaluation/Regrade

Assignment of a different salary grade to a class based upon a change in relation to other classes or to the labor market. Applicable to Open Range Pay Plan (see Regulation 5.163) and to some negotiated agreements.

Regional Compensation Area

A local or regional recruiting area established for which salary survey data is reviewed in order to determine appropriate salary ranges or rates. (See Rule 5.03.)

Salary Grade

A numeric designation covering a number of classes which, having comparable position classification factors, should have similar salary treatment. Pay ranges are established for each salary grade considering market values and internal relationships among other pay grades. Applicable to the Open Range Pay Plan and some negotiated pay plans.

Salary Range (same as Pay Range)

The dollar value represented by the minimum rate through the maximum rate of the salary grade assigned to a class. The range of rates represents the amount of earnings opportunities available for an employee during his/her development in a particular class.

Starting Salary/Starting Rate of Pay

The initial base salary assigned to an employee upon entering University service. (See Rule 5.06.)

Status Appointment

An appointment to a position that has been classified and approved as a continuing position.

Temporary Downgrading

Assignment of an employee to a lower level class on a temporary basis, in accordance with Civil Service Rule 250.100(b). (See Regulation 5.089.)

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WAGE AND SALARY ADMINISTRATION

Glossary of Compensation Terms

Temporary Upgrading

Assignment of an employee to a higher level class in accordance with Civil Service Rule 250.100(b) and resulting in a temporary increase in pay during such assignment. (See Regulation 5.0810.)

Transfer

The movement of a status employee from one place of employment to another in the same class within the University. (See Regulation 5.0811.)

Voluntary Reduction To A Lower Class

At the request of an employee, movement to a position in a class having a lower salary range or rate than the class from which the reduction was made, and resulting in a base salary reduction for the employee. (See Regulation 5.0812.)

Withholding Pay Increases

Under the Open Range Pay Plan, employees who are subject to proposed dismissal or discharge may be ineligible to receive General Pay Increases. (See Regulation 5.141C.)