

POLICY 5
WAGE AND SALARY ADMINISTRATION

Glossary of Compensation Terms

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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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.)