



Policy Title	Compensation Adjustment Policy	Effective Date:	1/14/13
Policy #	1.4		
Functional Area	Compensation	Revised Date(s)	11/15/13
Policy	Compensation Adjustments		
Statement	The purpose of this policy is to standardize the compensation adjustment process to ensure that University funds are fairly and consistently administered based on the Compensation Philosophy.		
Philosophy	The University's compensation philosophy is rooted in three core values of integrity, diversity, and quality.		
Procedures	<p style="text-align: center;"><u>Policy Scope</u></p> <p>Compensation adjustments are permanent increases to base pay. These adjustments are used to address race inequity, gender inequity, supervisor/subordinate inequity, pay compression, reclassifications, discretionary wage increases, and market adjustments. Non-contractual bonuses are also covered by this policy.</p> <p>These adjustments do not include contractual compensation agreements such as step increases, longevity increases, or across the board adjustments. These adjustments are also not for temporary base pay increases for situations like interim assignments or working out of classification.</p> <p>Supplemental pay for additional work or contractual bonus, lump-sum payments, or stipends are administered through Additional Compensation.</p> <p style="text-align: center;">COMPENSATION ADJUSTMENTS PROCESS DEFINITIONS</p> <p>Discretionary Adjustment: Base pay adjustment based on employee's performance.</p> <p>Equity Adjustment: Base pay adjustment to address internal inequity based on gender, race, or supervisor/subordinate inequity.</p> <p>Market Adjustment: Base pay adjustment to address external equity compensation comparisons to the market issues.</p> <p>Reclassification: Base pay adjustment to match change in compensation and increased job content (i.e. duties and responsibilities).</p> <p>Salary Savings: Unpaid wages during the time a budgeted position is vacant or on a leave without pay. Funding cannot be used for compensation adjustments or justification for FTE increases including reorganizations.</p> <p>Temporary Adjustments: Temporary base pay adjustments for interim appointments or working out of classification.</p>		

	<p style="text-align: center;"><u>Funding Approval Process</u></p> <p>Compensation Adjustments outlined in this policy will be funded from a centralized compensation fund. The approval process for additional funding is the same regardless of the position’s employment classification or funding source (General, Auxiliary, Donor, etc).</p> <p><u>Procedure:</u></p> <ol style="list-style-type: none"> 1. Supervisor, with approval from Divisional Executive, works with assigned HROD Consultant to document justification for an employee’s salary adjustment by preparing rationale memo with supporting documentation. Supporting documentation may include performance reviews, current and proposed organizational chart, adjustment recommendation, current and proposed classification specification. The information is submitted to the Director, Compensation and Employment. 2. Director, Compensation and Employment analyzes proposed adjustment impact and discusses recommendation with Supervisor. 3. Director, Compensation and Employment reviews information with Chief Human Resources Officer and then submits HR approved requests to the President for review. 4. If approved and finalized, supervisor may inform the employee of the salary adjustment, effective date, and expected regular check date it will be seen (<u>commitments to the employee should not take place before approval</u>). Note the effective date may depend on the collective bargaining agreement notification requirement, if applicable.
Responsibility	Contact the Director, Compensation & Employment if you have questions about this policy or if you need more information.
Resources	<ul style="list-style-type: none"> • Compensation Philosophy 1.1 • Additional Compensation Guidelines 1.2 • Wage and Hour Administration Policy 1.3 • For additional compensation related information and processes, please refer to the appropriate bargaining contract: <ul style="list-style-type: none"> • Click here for faculty bargaining contracts • Click here for staff bargaining contracts