



Policy 04:035 – Staff Salary Administration

The procedures set forth in this policy are applicable to all University staff positions designated as Administrative/Professional and Classified, whether full or part time, regular or temporary, excluding In-Service positions that follow the State salary matrix. Positions funded by Federal grants will follow this salary administration policy unless otherwise stipulated in the terms of the grant and are contingent upon funding availability.

Compensation Strategy

The University of Montevallo's compensation goal is to match or lead its competition and pay salaries that are competitive with salaries paid for like positions at the University, peer institutions and industries within the applicable recruiting market. Actual salaries normally will be within the established salary range and may differ from one employee to another depending upon individual knowledge, skills, abilities and experience.

The objectives of the Staff Salary Administration Policy are as follows:

1. Attract and retain competent, well-qualified employees;
2. Clarify expectations for employees;
3. Motivate employees to improve job performance where needed;
4. Reward employees for outstanding job performance;
5. Strive to maintain salaries that are internally fair and externally competitive;
6. Provide a means for budgeting and controlling salary expenses.

The University of Montevallo is an equal opportunity employer. All compensation decisions will be made without regard to age, race, religion, sex, national origin, disability, or veteran status.

Employee Classifications and Salary Structure

Classified Positions (non-exempt staff) – are often sufficiently similar so that the same descriptive title can be used for each, with a typical set of duties that are generally encompassed by all positions in that classification. Classified positions include office support, skilled craft, maintenance, and first responder positions. First responders, including police officers, are technical/paraprofessional but considered classified, non-exempt in accordance with the FLSA. Other than first responders (and positions in the safety department working a shift-work schedule), employees in classified positions are entitled to minimum wage and overtime pay

under the Fair Labor Standards Act (FLSA) at a rate of one and one-half the employee's regular rate of pay for each hour worked in excess of 40 hours per week. See Special Provisions for Police Department Personnel below.

Special Provisions for Police Department Personnel—Valid Work Period. It is necessary for the University Police Department to coordinate multiple work periods for employees in order to carry out the essential functions of the Department. Assigned schedules are subject to change in order to meet the needs of the Department. Therefore, a valid work period is established as follows:

- Communication Operators work seven 12 hour shifts during a 14 day pay period. Their pay period is comprised of 2 seven day work periods which begin every Sunday at midnight.
- 8 hour Officers work ten 8 hour shifts during a 14 day pay period. Their pay period is comprised of 2 seven day work periods which begin at midnight on Sunday.
- 12 hour Officers work seven 12 hours shifts during a 14 day pay period. Their work period coincides with the pay period.
- Support Staff work ten 8 hour shifts during a 14 day pay period. Their pay period is comprised of 2 seven day work periods which begin every Sunday at midnight. Support staff employees include, but are not limited to, Security and Fire Safety Officers and Locksmith/Security Officers.

As required by the FLSA, all nonexempt employees will receive compensation for overtime worked. Overtime is defined as: hours worked exceeding the threshold of the defined work period. Eligibility for overtime pay will vary based on an employee's assigned work period and the overtime threshold set by the FLSA.

- Communication Operators will be compensated at a rate of 1.5 times their regular rate of pay for all hours worked over 40 within their seven day work period.
- 8 hour Officers will be compensated at a rate of 1.5 times their regular rate of pay for all hours worked over 43 within their seven day work period.
- 12 hour Officers will be compensated at a rate of 1.5 times their regular rate of pay for all hours worked over 86 within their 14 day work period.
- Support Staff will be compensated at a rate of 1.5 times their regular rate of pay for all hours worked over 40 within their seven day work period.

By mutual agreement, Police Officers and Communications Operators have the option to elect equivalent compensation time in lieu of overtime pay. Banked comp time balance may not exceed 100 hours; employees will automatically receive pay for all compensatory hours above 100.

Administrative/Professional Positions (exempt staff) – are often unique and may encompass diverse duties and differing levels of responsibilities, most often of a significant nature. These

positions are more widely recruited and often require an advanced degree and/or special training and experience. These staff positions are grouped into executive, administrative, professional and technical/paraprofessional categories (excluding first responders). Administrative/professional (and faculty) positions are exempt from overtime pay requirements under the FLSA and are paid on a salary basis.

Pay Structure– Data obtained through the job analysis and evaluation process is used to develop and maintain the University’s pay structure. Developing a pay structure consists of two steps: Establishing salary grades and setting salary ranges.

Salary Grades– Salary grades are used to group together jobs that have about the same or relative internal market value. Classified positions are identified with grades that are numerically sequential in the 100 series; Administrative/Professional positions are numerically sequential in the 200 series.

Salary Range – Based on job evaluation, each position is assigned to a salary range. Each salary range consists of a minimum, a midpoint, and a maximum. University of Montevallo strives to achieve salary ranges that are competitive at midpoint with salaries paid for like jobs at the University, peer institutions and industries within the applicable recruiting market.

UM staff salary ranges are established based on job analysis and market data and are referenced with three points: minimum, midpoint and maximum:

1. **Minimum:** The minimum of the range represents the lowest salary for a job in the range. Minimums are used as a guide for establishing the starting salary of a job.
2. **Midpoint:** The midpoint of the range represents the market value for the position. Open positions are advertised using the minimum-to-midpoint salary ranges.
3. **Maximum:** The maximum of the salary range represents the value that completes the range. Maximum salaries are not normally considered for posting purposes and are normally paid to individuals with multiple responsibilities or where longevity is a factor.

The ranges are developed to establish a job-value hierarchy. Overlap between ranges is designed so that an experienced employee in a lower grade is rewarded respective to an inexperienced employee whose position is in a higher grade. The spread between the maximum and minimum will vary; generally, lower job grades have a more narrow range between minimum and maximum.

Salary Structure Maintenance –Because salary ranges are the basis for an equitable salary administration program, the ranges may need adjustment to reflect market changes. A salary range is an appraisal of job value expressed in dollars, which provides a guide for paying individuals based on their performance and job experience. The Director of HR is responsible for reviewing the University’s salary structure periodically, but at least every three years, in order to determine whether adjustments to the ranges are necessary to remain competitive. Geographical factors and shifts in supply and demand for particular skills which influence salary levels are measured and may be incorporated into the salary structure, as appropriate.

Pay Distribution – Salary range midpoints are set in relation to salaries in the market. Therefore, the placement of a person’s salary in the salary range should be compared with the midpoint or (“market rate”).

Performance Reviews

An integral part of every supervisor’s responsibility is ongoing communication concerning performance with each employee. Such a discussion should take place when appropriate regardless of the individual’s salary review status. Performance discussions should be planned in advance, phrased in job-related terms, and conducted in an appropriate setting.

Each employee’s performance is to be appraised at least annually by the immediate supervisor using the Performance Review Form. Performance reviews are typically conducted in the spring so that any increase, if given, can be factored for the subsequent fiscal year budget. However, an employee whose performance requires significant improvement will be subject to a Performance Improvement Plan (PIP) that specifies all areas where improved results are required. Performance must improve continuously so that it is at an acceptable level within a reasonable period of time. At any time during this process an employee who does not demonstrate significant improvement may be terminated from employment.

All original Performance Reviews must be submitted to HR, to be placed in the employee’s official personnel file, including the employee’s self-assessment. A copy of the Performance Review must be given to the employee. The supervisor may keep a copy for the department file, if needed. The Performance Review form contains an overall performance rating which is the key to administering salaries on a merit basis. For training and guidance in using the performance appraisal process or for assistance in developing performance improvement plans, consult the Director of HR.

All new and rehired employees should receive an informal performance evaluation after the first 90 days. Additionally, all employees should be reviewed during the regular evaluation period, regardless of hire date.

Merit Increases: Relating Pay to Performance

Merit based salary increases are awarded to recognize the contributions of regular (non-temporary) University of Montevallo employees and designed to reward meritorious performance. Employees should be given a performance review on a 12-month interval, typically in the spring so that any increase, if given, can be factored for the subsequent fiscal year budget. Merit Increases recognize meritorious performance of employees in their current job and provide progression within their salary range. Performance is the prime factor in determining the size (%) of a merit increase, subject to available funds.

The objective of the merit increase guidelines is to deliver a similar size (%) of increase for a given performance level.

Funding for staff salary increases shall be allocated as 70% across-the-board and 30% merit, except when available funding is insufficient to support merit allocations.

Merit Increase Guidelines- These guidelines will be used for determining the size of merit (%) increases for exempt and nonexempt employees and provide a basis for consistent administration of salaries and a tool to minimize the development of pay inequities. Merit increases will be considered at the beginning of each new fiscal year as funding permits and with approval by the Board of Trustees.

- Level 4 – Exceptional/Outstanding reviews will earn the highest amount of merit pay and will also receive across-the-board salary increases as approved by the Board of Trustees. Individual items receiving a score of 4 require supporting documentation.
- Level 3 – Exceeds Expectations reviews will earn merit pay and will also receive across-the-board salary increases as approved by the Board of Trustees.
- Level 2 – Meets Expectations reviews will receive across-the-board salary increases as approved by the Board of Trustees but will not receive merit pay.
- Level 1 – Below expectation reviews will not receive an across the board salary increase nor a merit pay increase at the beginning of the new fiscal year. These employees will be placed on a six month Performance Improvement Plan (PIP) and will be re-evaluated at the end of that time period. Upon scoring a satisfactory review (level 2 or above), across-the-board salary increases (but not merit) can be awarded as approved by the Board of Trustees for the current fiscal year; such an increase will not be retroactive. In all cases, individual items receiving a score of 1 require supporting documentation.

Evaluation of New Hires: All new and rehired employees should receive an informal performance evaluation after the first 90 days of employment/assignment. Additionally, all employees should be reviewed during the regular evaluation period, regardless of hire date. Eligibility for salary increases are as per the following table:

Hire Date	Salary Increase Eligibility
January 1—June 30	Regular Eligibility (in accordance with Merit Guidelines)
July 1—December 31	Across the Board (unless the individual earns an overall score of 1, in accordance with Merit Guidelines)

Performance Evaluation and Salary Administration Timeline:

Performance Period: Calendar Year (Jan—Dec)

- February 1– March 31: Evaluations Conducted
 - April 10: Completed evaluations are due to HR
 - April 10—May 15: Appeal Review Process
 - July: Presentation to Budget & Finance Committee at Special Meeting
 - August: HR issues employee salary notification changes as approved by Board.
- May 15-June 15 HR review of finalized evaluations; score calculations to VPBA August: Recommendation for salary adjustments presented to full Board September 1: Salary adjustments effective for non-grant funded positions

Note: Earnings begin September 1 and are paid beginning with the next effective payroll deposit date.

Promotional Increases

A promotion is the advancement of an employee to a position that is evaluated at a higher pay grade level than the position to which the employee is currently assigned. A promotion that occurs outside of a normal job posting process is usually the result of a restructure within the job group, and/or determined by President to be in the best interest of the University. The employee’s pay level should be set at an appropriate point in the new salary range considering the market value of the position and the knowledge, skills, abilities and experience of the employee.

Job Reevaluations

Existing jobs, which as a result of job reevaluation, are re-classified into higher or lower pay grades are considered as either “upgrades” or “downgrades.”

1. Upgrades are reclassifications of positions as a result of job reevaluations, to a higher salary range. Such reevaluations recognize that responsibilities of a job have increased over time, or that higher levels of responsibility have been added to the job. Therefore, upgrades should be treated as promotions if an exempt or non-exempt position is upgraded one or more grades. The employee’s pay level should be set at an appropriate point in the new salary range considering the market value of the position and the knowledge, skills, abilities and experience of the employee. In no case is a position to be upgraded solely to provide a salary increase for an employee.

Note: Reevaluations of groups of positions may occur from time-to-time as a means of recalibrating internal grade relationships. While job content has not changed, some jobs may be reclassified to higher or lower grades to restore equity. In these cases, no salary change is made.

1. Downgrades result in a lower salary range assignment for the job and a corresponding higher position in that range for the employee’s salary. Such reclassifications are not a reflection of an employee’s performance or capability. An employee who is in a position

that has been reevaluated and downgraded is to continue to receive the same salary. Future reviews will be predicated on the position in the new, lower salary range.

2. Reevaluations are conducted by Human Resources.

Lateral Transfers

A lateral transfer is a voluntary move to a different position within the same pay grade level. Employees making a lateral transfer retain the salary of the previous position.

Temporary Assignments

Temporary staff positions categorized as ‘Classified’ will be compensated in the appropriate grade and range for the position and may be converted to an hourly wage. All temporary positions, regardless of classification, must have a job description. A temporary position shall not be assigned for more than 12 months.

Externally Funded Positions

Compensation of externally funded positions is regulated by the funding source and may not adhere to the University’s salary administration program. If an employee transfers to a University-funded position, the pay level may or may not be the same as when externally funded, and should be aligned to an appropriate grade and range in the assignment considering the market value of the position and the knowledge, skills, abilities, and experience of the employee.

Replacing Personnel In Vacated Positions

When a staff position becomes vacant for any reason (termination, resignation, retirement, etc.), the position will not be automatically refilled. This will provide the department the opportunity to reevaluate the needs in this area and determine if a replacement is appropriate. Depending on the needs of the unit, it may not be necessary to refill the position, or it may be more appropriate to fill the position in another department or at a different pay grade level with new or different responsibilities. Refilling a vacancy should be approved by the VP of the unit. Revised job descriptions and subsequent postings are coordinated through the department of Human Resources.

Hiring Rates

Starting salaries for new hires shall be within the predetermined grade and range for the position and should reflect the knowledge, skills, abilities and experience of the candidate. Employees with little or no experience should be offered salaries at or near the minimum of the salary range. Experienced or fully qualified candidates may be offered salaries up to the midpoint (“market rate”). In some exempt disciplines, market demand may require hiring above the midpoint. The range midpoint should be considered the highest starting salary for fully competent, experienced performers. Placement of the salary within the range should also consider current salaries of incumbents in the same position. Salary offers for exempt and non-exempt positions require assessment and approval from the Director of HR.

Salary offers for exempt positions which fall outside these guidelines (including all which are above midpoint in the range) must be approved by the VP for Business Affairs before the offer is made and receipt of such approval is to be noted on the file copy of the offer letter. Before being filled, newly created positions and reevaluated positions must be properly approved and assigned the appropriate pay grade and range by the HR Director.

Processing Salary Increase Recommendations

1. Process – Salary increase recommendations are initiated by the employee’s immediate supervisor. After authorization as described below, salary increase recommendations for exempt and nonexempt positions should be sent “Confidential” to the Director of HR. Each recommendation must be supported by a Performance Review.
2. Salary Action Review and Approval – All salary requests require a minimum of two signatures: that of the originator and that of the originator’s immediate supervisor. The VP of Business Affairs and the HR Director must also approve the request. Recommended increases outside the normal guidelines require the approval of the President.
3. Effective Date – All salary increases are effective on the first day of the month. Retroactive salary adjustments are discouraged.
4. Notification – It is the supervisor’s responsibility to notify the employee of any salary change. No increase is to be indicated or announced to the employee until the increase has been authorized and the employee’s supervisor has been notified.

Position Descriptions

All Classified and Administrative/ Professional staff positions, whether full or part time, regular or temporary, must have a job description which shall be used to record the duties and responsibilities and other required elements of the position and the knowledge, skills, abilities, and experience required to perform the duties described therein. The position description serves as the basis for determining title, pay grade and exemption status. Position descriptions are developed collaboratively with the unit supervisor and assessed for classification and compensation by the human resources department in accordance with the procedures set forth in this policy.

Approved 2/14

Last Revised 2/14