

I. Purpose:

The University of Wisconsin-Superior shall offer a compensation program that attracts and retains a multicultural workforce capable of strengthening the campus and surrounding community. Employee compensation shall be externally competitive, internally equitable, and shall reward contribution, recognize quality performance, and encourage growth and development. The purpose of this policy is to establish procedures for determining starting pay, the hourly rate upon movement to a new position, promotional pay, and guidelines for setting the rate for temporary and project appointments. Policies for temporary base adjustments, salary adjustments during interim appointments, overtime, compensatory time, and other pay components specifically created for non-exempt University Staff are also provided.

II. Definitions Specific to this Policy:

“Institution base funds” are funds that are part of the institution’s budget; not part of Board of Regents pay plan funds.

“Compensatory time” means time off the job which is earned and accrued by an employee in lieu of immediate cash payment for overtime.

“Premium rate” means the regular hourly rate plus .5 times the regular rate paid the employee.

“Range spread” means the percent difference from the midpoint of the range to the minimum and maximum.

“Regular rate” means the average hourly rate actually paid the employee as straight time pay for all hours worked in the workweek or work period, including all remuneration for employment paid to, or on behalf of, the employee, except any payments specifically excluded from the calculation of the regular rate under the FLSA and related federal regulations.

“Work hours” means work time as directed by the appointing authority during which an employee must be on duty and/or at a prescribed place of work.

“Range Minimum” is the lowest salary that will be paid to individuals qualified to hold positions in the range.

“Range Mid-Point” is the salary that represents the middle of the range i.e. the salary is equidistant to the minimum of the range and the maximum of the range.

“Range Maximum” is the highest salary that can be paid to individuals holding positions in a range. A salary above range maximum will be “red-circled” until adjustments to the salary structure bring it to within range. A range maximum can be exceeded if an extraordinary salary range is approved.

III. Policy:

**A. Starting Pay (New Hires)**

- (1) The base pay may be set at any rate that is not less than the minimum of the applicable pay range and not greater than the maximum, subject to the compensation analysis.
- (2) A compensation analysis shall be conducted during the recruitment process, which will include a comparison of internal equity, market equity, pay range minimum and maximum, and salary information of former incumbent.

**B. Pay upon Transfer (Occurs via Recruitment for Existing Employees)**

- (1) The base pay may be set at any rate that is not less than the minimum of the applicable pay range and not greater than the maximum.
- (2) A compensation analysis shall be conducted during the recruitment process, which will include a comparison of internal equity, market equity, pay range minimum and maximum, and salary information of former incumbent.

**C. Pay upon Promotion, Reclass, Reallocation**

Upon promotion, reclass, or reallocation, an employee will receive an increase in an amount equal to 8% of the applicable pay range minimum or the pay range minimum, whichever is greater. If the transaction is to a pay range that is more than one pay range higher, the appointing authority may provide an additional pay adjustment allowing for a total pay adjustment of no more than 12% of the new pay range minimum.

**D. Pay upon Demotion**

If the employee's current salary is within the pay range of the new classification, the employee's salary may be reduced up to 8% subject to the pay range minimum and maximum. A compensation analysis shall be conducted during the recruitment process, which will include a comparison of internal equity, market equity, pay range minimum and maximum, and salary information of former incumbent.

**E. Salary Rate for Temporary and Project Employees**

- (1) University staff temporary employees must be paid at least the state or federal minimum wage, whichever is greater, unless a lower wage is authorized pursuant to Section 14 of the Fair Labor Standards Act and Wis. Stat. § 104.07.
- (2) Starting pay for university staff temporary employees is 85% of pay range minimum but may be paid up to the pay range minimum.
- (3) Pay determination for university staff project employees shall be subject to the starting pay requirements provided in section A of this document.
- (4) The base rate of a university staff temporary or project employee may not exceed the established pay range maximum for the title assigned.

**F. Temporary Base Adjustments**

- (1) Temporary base salary adjustments may be utilized in cases where an employee assumes temporary responsibilities. The level of the base salary adjustment should be appropriate for the new assignment. Temporary base salary adjustments are not overload payments.
- (2) A temporary base salary adjustment may also be used as a mechanism to acknowledge achievement of a special qualification or job attribute that is not permanent or is seasonal. It is expected that in most cases, compensation for a special qualification or job attribute would

be on a *permanent* basis and would, therefore, be addressed as an adjustment meeting the requirement of merit/exceptional performance pay.

- (3) Temporary base salary adjustments shall be requested by submitting a Personnel Action Form to the Department of Human Resources. The request shall include a thorough explanation, including the expected duration of the adjustment.

#### **G. Salary Adjustment for Interim Appointments**

- (1) When a university staff employee is asked to serve in an acting/interim appointment, a compensation analysis/pay equity study shall be done to ensure that, to the extent possible, the salary offered for an acting assignment does not create inequities with comparable positions at UW-Superior (or other institutions in the UW System, if applicable).
- (2) When the acting/interim appointment ends, the acting or interim appointee can expect to be returned to his/her former position at a salary consistent with the salary the person had before assuming the acting appointment plus any intervening pay increases that person would have received but for accepting the acting position.

#### **H. Non-Merit Base Adjustments within a Title**

##### **Reasons:**

- a. **Adjustments for Change in Duties:** If there is a substantive change in the duties and responsibilities of a filled position that does not result in a title change, a salary adjustment may be requested.
- b. **Adjustments for Retention:** This adjustment reflects a salary increase necessary to retain an employee who has received an outside offer of employment (with comparable duties and responsibilities) at a rate higher than his/her existing rate. The resultant loss of the employee's knowledge and experience would be a detriment to the department, division, or campus. The position offered must be from an employer outside of the UW Superior and evidence of the job offer must be presented to Human Resources.
- c. **Equity Adjustments:** This adjustment may be used when the employee's salary has been determined to be lower than that of other UW-Superior employees performing the same or similar duties at the same level of proficiency and who have comparable years of experience. May also be used if there is significant pay compression between the employee and his/her immediate subordinates.

##### **Requirements:**

A non-merit base adjustment shall be sought by submitting a Personnel Action Form to Human Resources which must include supporting documentation and a statement addressing the overall significance or importance of the employee's work to the department/University. A compensation analysis/pay equity study with salary and seniority dates for all UW-Superior employees in the same title will be conducted. All non-merit base adjustments are subject to the minimum and maximum of the applicable pay range. A committee made up of a HR designee, the Budget officer, University Staff Senate Chair and a Cabinet Officer will review and determine whether the recommendation is approved or denied.

#### **I. Merit Adjustments**

- (1) Merit adjustments, pursuant of UW Administrative Code 1277.B, allow for recognition of an employee's superior or meritorious service. Merit recommendations should be submitted to Human Resources for consideration. A committee made up of a HR designee, the Budget officer, University Staff Senate Chair and a

Cabinet Officer will review and determine whether the recommendation is approved or denied. These may be processed as lump sum payments or base building adjustments.

(2) Required Documentation for Merit Adjustments:

- a. Merit adjustments shall be sought by submitting a Justification For Merit Adjustment form to Human Resources
- b. The request shall include a thorough justification for the adjustment that specifically addresses *at least one* of the relevant merit factors listed below.
  - Length or frequency of superior performance
  - Regularity with which outstanding contributions are demonstrated
  - Overall significance or importance of the employee's work to the department, division, or campus
- c. A compensation analysis/pay equity study with salary and seniority data for all UW-Superior employees in the same title shall be conducted and attached to the merit request.
- d. The granting, denial, and amount of any merit adjustment is not grievable.

(3) Effective date

- a. Merit adjustments may be granted at any time during the fiscal year. The effective date of a merit adjustment is the beginning of the first pay period following effective receipt of the recommendation.

(4) Amount/frequency

- a. A combination of base building adjustments and lump sum payments up to 12% of the pay range minimum may be granted to an employee in any given fiscal year.
- b. The factors to be considered in determining whether to approve a merit adjustment include, but are not limited to, the following:
  - Whether the merit adjustment is feasible within the department's budget
  - The employee's length of service
  - Employee's last performance evaluation indicates satisfactory or above performance.
  - Whether it is more appropriate to re-title the employee's position
  - Whether previous merit adjustments were for similar reasons
  - Whether the supervisor completed evaluations within the past 12 months on all subordinate employees for whom performance evaluations are required.

PLEASE NOTE: Merit adjustments are supported by departmental funds.

**J. Overtime**

- (1) Except for law enforcement officers (see below), Fair Labor Standards Act (FLSA) mandates nonexempt employees must be paid at a premium rate or receive compensatory time credits at a rate of 1.5 hours per hour worked, for each hour worked in excess of *40 hours in a workweek*. Hours worked do not include hours of paid leave.
- (2) Law enforcement officers may be paid at a premium rate or receive compensatory time credits at a rate of 1.5 hours per hour worked for each hour worked in excess of *80 hours in a 2-week pay period*.

- (3) All overtime work must be pre-approved by the respective cabinet officer in advance of the hours being worked.
- (4) Payment of overtime at a premium rate shall be paid in addition to the premium rate paid for work on a legal holiday during the same workweek (or pay period in the case of law enforcement officers).

**K. Compensatory Time**

- (1) FLSA provides public employers the option of providing non-exempt employees with compensatory time (comp time) off in lieu of cash for overtime as long as the employee has received notice of the comp time option.
- (2) FLSA non-exempt employees are permitted to accumulate up to 80 hours of compensatory time. Comp time for FLSA non-exempt employees accrues at one and one-half times for each hour worked over 40 in a week. Any hours worked by FLSA non-exempt employees that exceed the 80-hour limit shall be paid in cash.
- (3) UW System employees must use accrued compensatory time no later than four months after the end of the calendar year in which the comp time was earned. Any comp time unused by April 30<sup>th</sup> of the following calendar year will be converted to cash payment and included in the earnings for the pay period that includes May 1<sup>st</sup>.
- (4) The appointing authority has discretion to approve scheduled use of compensatory time earned in lieu of cash payment for overtime hours.
- (5) For more information on compensatory time, please see the [UW System Compensatory Time Policy](#).

**L. Additional Pay Components for FLSA Non-Exempt University Staff**

- (1) **Night Differential:** Forty-five cents (\$0.45) per hour for all hours worked between the hours of 6:00 p.m. and 6:00 a.m.
- (2) **Weekend Differential:** Sixty cents (\$0.60) per hour for all weekend hours (i.e., work hours between the hours of 12:01 a.m. on Saturday and 12:00 midnight on Sunday).
- (3) **Standby Pay:** When an employee is required by the institution's administrators to be available for work and able to report to work in less than one hour, the employee will receive \$2.25 for each hour in standby status.
- (4) **Call-Back/Call-In Pay:** A minimum of two hours pay is guaranteed when an employee is called back for duty or called in on the employee's day off.
- (5) **Calls at Home:** If the Employer contacts the employee at home for the purpose of discussing job-related business, the employee shall be credited with work time for all such calls. In no case shall the employee receive less than a single one-half (1/2) hour credit per day for such calls under this section. *Examples of job-related business calls include calls regarding specific questions regarding operation of equipment, clarification of instructions, and repair procedures. Examples of non-job related business calls include calls made to call an employee back to work, availability for overtime, and scheduling changes.*
- (6) **Legal Holiday Premium:** Compensatory time off or payment at the premium rate will be granted for hours worked on days identified as legal holidays in UPS Operational Policy BN 2: Personal Holiday & Legal Holiday Administration.



**JUSTIFICATION FOR MERIT ADJUSTMENT (to be filled out by supervisor)**

<b>DEPARTMENT:</b>	<b>EMPLOYEE NAME:</b>	<b>JOB TITLE:</b>	<b>HIRE DATE:</b>

CRITERIA	JUSTIFICATION (If additional room is needed please attach a separate document)
<p><b>Merit:</b> Employee recognition for superior or meritorious performance. Merit criteria/factors which <b>should</b> be considered include:</p> <ul style="list-style-type: none"> <li>• Length or frequency of the outstanding performance</li> <li>• Overall significance or importance of the employee’s work products to the organization;</li> <li>• Regularity with which the outstanding performance or unique contribution is demonstrated (e.g., an employee who routinely demonstrates exceptional performance and performs special projects on an ongoing basis, as compared to an employee who completes a one-time special project)</li> </ul> <p>Merit–related criteria/factors which <b>may</b> be considered include:</p> <ul style="list-style-type: none"> <li>• Employee has new permanent job duties and /or responsibilities of growing importance to the agency that have been either newly assigned or were an evolution of their originally assigned functions. The new duties are of greater scope, impact and/or complexity compared to the previous functions; or</li> <li>• Employee has acquired additional competencies, which are both specialized and critical in carrying out the permanent functions of the position.</li> </ul> <p>___ <b>Merit (check all that apply)</b></p> <p>___ Employee received performance evaluation within last 12 months</p> <p>___ Employee is a supervisor and has completed required performance evaluations for all subordinates</p>	

**SALARY RECOMMENDATION**

<b>Old Base Salary:</b>	<b>Recommended Salary:</b>	<b>Funding Source(s):</b>	<b>Effective Date:</b>	<b># Prior adjustments in same FY:</b>	<b>Internal equity review required, attach supporting documentation.</b>

<b>Recommended By (Supervisor):</b>	<b>Date:</b>	<b>Budget Approval (Funding approval only):</b>	<b>Date:</b>	<b>HR Approval:</b>	<b>Date:</b>

<b>CABINET OFFICER APPROVAL (signature):</b>	___ <b>APPROVED:</b>	___ <b>DENIED</b>	<b>DATE:</b>
	Base Pay Adjustment: _____	Lump Sum: _____	

<b>UNIVERSITY STAFF SENATE CHAIR APPROVAL:</b>	___ <b>APPROVED:</b>	___ <b>DENIED</b>	<b>DATE:</b>
	Base Pay Adjustment: _____	Lump Sum: _____	

## Compensation Analysis

The following factors must be taken into consideration. Please consult with Human Resources in order to obtain the proper information to complete this review.

Salary Range minimum: \_\_\_\_\_ Salary Range Max: \_\_\_\_\_

Internal equity: \_\_\_\_\_ External equity: \_\_\_\_\_

Employee's length of service: \_\_\_\_\_

Recommended salary: \_\_\_\_\_

\*\*External equity should be salary information from other UW employees on a comparable size campus (example: Parkside, Eau Claire, River Falls)

HR Managers signature: \_\_\_\_\_ Date: \_\_\_\_\_