

UW-Stevens Point UPS Operational Policy – TC 3

SUBJECT: Pay Determination Policy for University Staff



University of Wisconsin
Stevens Point

Original Issuance Date: February 25, 2016

Last Revision Date: February 26, 2016

1. Policy Purpose

The purpose of this document is to present policies for determining starting pay, the hourly rate upon movement to a new position or job, promotional pay, and guidelines for setting the rate for temporary and project appointments. Policies for temporary base adjustments, salary adjustments during interim appointments, salary adjustments within a title, overtime, compensatory time, and other pay components specifically created for non-exempt University Staff are also provided.

2. Policy Background

Past rules prohibited the University from altering/enhancing the policies for University Staff (formerly Classified Staff) so no background for this Policy exists.

3. Policy Definitions

University Staff – Exempt: University Staff-Exempt are members of the University workforce that are not eligible for overtime or compensatory pay. Incumbent University Staff holding exempt positions under the Fair Labor Standards Act (FLSA) will be able to remain as University Staff category or may voluntarily choose to become Academic Staff or Limited Appointees. After July 1, 2015, exempt titles will be Academic Staff or Limited Appointees when recruiting those positions.

University Staff – Non-Exempt: University Staff-Non-Exempt are members of the university workforce who are not exempt (hourly) from the overtime provisions of the Fair Labor Standards Act (FLSA).

University Staff Temporary Employee: A temporary employee can have a university staff appointment of up to 1,044 hours within a twelve-month period; the need for the position/duties is temporary in nature. (HR7)

University Staff Project Employee: A project employee can have a university staff appointment of up to four years; the need is project-based and there is an established probable date of termination. (HR7)

Regent Pay Plan: The amount of state funds and /or generated funds available for salary increases for all employees in the continuing staff base budget with at least solid performance.

Institutional base funds: Funds that are part of its budget; not part of Board of Regents pay plan funds.

Effective Date: Effective date of any title change or salary adjustment will be the first pay period date after the completed paperwork is approved by Human Resources and Affirmative Action.

Supplemental pay plan: Amount from institutional base funds generated or reallocated, approved and available for salary increases for any or all employees in the continuing staff base budget with at least solid performance.

Compensatory time: Time off the job which is earned and accrued by a non-exempt employee in lieu of immediate cash payment for overtime.

Premium rate: The regular hourly rate plus .5 times the regular rate paid the non-exempt employee.

Regular base rate: The hourly rate actually paid the non-exempt employee 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: Work time as directed by the appointing authority during which an employee must be on duty and/or at a prescribed place of work.

Compensatory Analysis/Pay Equity Study: A study conducted by the Department of Human Resources and Affirmative Action that will provide an analysis with salary and employment data for all UW-Stevens Point employees in the requested title, minimally. Additional data may be required due to job title and/or duties. The study will be done in a timely and professional manner and prior to any compensation change.

4. Important Considerations

All pay determinations shall demonstrate a commitment to UW-Stevens Point's Mission Statement and to maintain a comprehensive compensation program directed toward attracting, retaining and rewarding a qualified and diverse workforce while encouraging growth and development.

All hire requests must include a compensation analysis/pay equity study with salary and employment data for all UW-Stevens Point employees in the requested title, minimally. Additional data may be required due to job title and/or duties.

Equity and market adjustment requests must include a compensation analysis/pay equity study with salary employment data and the Compensation Adjustment Request Form which shall be initiated and approved by the employee's supervisor. The paperwork may be initiated by the employee for supervisory review and approval.

Concerns regarding the administration of this policy shall be directed to the Department of Human Resources and Affirmative Action (hereinafter referred to as "HR").

All pay rate assignments must be approved by HR and by the appropriate Vice Chancellor's office.

See UW System Operational Policies relating to compensation for additional information on compensation for University Staff employees.

5. Policy

A. Starting Pay and Salary Rate upon Movement to a New Position/Job (Occurs via Recruitment)

- (1) The base pay may not be set at any rate that is less than the minimum, nor more than the maximum established pay range for the title assigned.

- (2) The hiring unit shall submit a compensation analysis and request for a salary hiring range to HR and the Vice Chancellor's office if the requested base pay rate is above the minimum of the applicable pay range.

B. Career Progression Pay (Occurs via Title Change)

- (1) All requests for career progression title changes will go through HR with documentation including the previous and new job descriptions and narrative justifying the change. The HR Department will work with the requesting department for approval.
- (2) The base pay may be set at the minimum of the new applicable pay range or an increase of 7% of employee's current rate, whichever is higher.
- (3) If the requested base pay increase exceeds (2) as specified above, approval of the rate shall be sought by submitting a Compensation Adjustment Request Form along with a memorandum to the Director of Human Resources that justifies the requested rate.

C. 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) The base rate of a University Staff Temporary Employee may not exceed the established pay range maximum for the title assigned.
- (3) See the UW System UPS Operational Policies relating to temporary employees for additional information on temporary appointments.

D. 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 as decided upon by the department manager and HR. Temporary base salary adjustments shall not be used when overtime (non-exempt employees) or overloads (exempt employees), are appropriate for performing extra duties.
- (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. For example, a police officer may receive a temporary base salary adjustment for horseback duties since these would be performed on a seasonal basis. 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 sought by the supervisor submitting a Compensation Adjustment Request Form to HR. The request shall include a thorough explanation for the request, including the expected duration of the adjustment.

E. Salary Adjustments 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-Stevens Point (or other institutions in the UW System, if applicable).
- (2) When a permanent appointment is made, 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 increases that the person would have received but for accepting the acting responsibility.

F. Non-Merit Base Adjustments within a Title

- (1) Non-Merit Reasons for Adjustments within a Title:
 - 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 may be used when the employing department is aware that the employee is actively seeking other employment and the resultant loss of the employee's knowledge and experience would be a detriment to the department, division, or campus.
 - c) **Counter Offer Adjustments:** This adjustment reflects a salary increase necessary to retain a person who has received an outside offer of employment.
 - d) **Equity Adjustments:** This adjustment may be used when the employee's salary has been determined to be lower than that of other UW System 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; or established labor market data identifies a need to award market adjustments in order to achieve equity with external public/private employers.
- (2) Requirements for Non-Merit Adjustments
 - a) Non-merit salary base adjustments shall be sought by submitting a Compensation Adjustment Request Form to the HR.
 - b) A compensation analysis/pay equity study with salary and employment data for all UW-Stevens Point employees, minimally, in the requested title will be required for equity adjustment requests.
 - c) HR will forward the requests for increase to the appropriate Vice Chancellor's office for final approval.

- d) All non-merit base adjustments are subject to the minimum and maximum of the applicable pay range.
- e) Additional data may be required due to job title and/or duties.

G. Merit Adjustments

- (1) Merit adjustments allow for recognition of an employee's superior or meritorious service. These adjustments will typically be base building adjustments. Relevant factors that can be considered, but not limited to, include:
 - a) Length, frequency and consistency of superior performance
 - b) Regularity with which outstanding contributions or service are demonstrated
 - c) Overall significance or importance of the employee's work to the department, division, or campus
 - d) Educational attainment, i.e. degree, continuing education credits, licensure, credentialing (may also be justification for career progression)
 - e) Unique skill set which contributes positively to the department and UW-Stevens Point as a whole.
- (2) Required Documentation for Merit Adjustments
 - a) Merit adjustments shall be sought by submitting a Compensation Adjustment Request Form to HR.
 - b) The request shall include a thorough justification for the base adjustment that specifically addresses *at least one* of the relevant merit factors listed above.
 - c) The most recent annual performance evaluation must be included with the submitted request form.
 - d) Additional data may be required due to job title and/or duties.
 - e) HR will forward the requests for increase to the appropriate Vice Chancellor's office for final approval.
 - f) Additional documentation requirements for merit adjustments are provided on the Compensation Adjustment Request Form and are subject to the minimum and maximum of the applicable pay range.

(3) Lump Sum Payments

Lump sum payments may be awarded in specific circumstances and the explanation will be in writing when submitting the Compensation Adjustment Request Form. These will usually apply to exempt employees but not inclusive to them. Examples might be:

- Completing a one-time project
- Performing tasks outside your regular job duties
- Sporadic, unexpected duties

H. Miscellaneous Salary Adjustments/Payments

- (1) **Salary upon demotion:** Salary shall be reviewed by HR and the new supervisor and will be determined based upon the nature of the demotion and the new job expectations. The salary will be subject to the minimum and maximum pay range of the position being demoted to.
- (2) **Overload Payments:** University Exempt employees are eligible to receive overload payments where, with the consent of the employee and approval of the chancellor or designee, substantial additional work requirements beyond and unrelated to the normal existing duties of current position of a full-time employee creating a workload in excess of 100% of the employee's time and the performance of these additional duties are unusual, short-time or nonrecurring in nature. If a staff member is not full-time, additional compensation is not considered an overload.

I. Overtime

- (1) Fair Labor Standards Act (FLSA) 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) Except for rare, unforeseen circumstances in which case approval needs to be obtained as soon as possible, all overtime work must be approved by the designated appointing authority or administrator in advance of the hours being worked.
- (3) Payment of overtime at a premium rate shall be paid in addition to the premium rate paid for work performed on a legal holiday during the same workweek.

J. Compensatory Time

- (1) The FLSA provides public employers the option of providing employees with compensatory time (comp time) off in lieu of cash for overtime so long as the employee has received notice of the comp time option.
- (2) FLSA nonexempt employees and exempt employees in law enforcement 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 at the premium rate.
- (3) Except for FLSA exempt staff in law enforcement positions, compensatory time may only be earned by FLSA exempt staff in exceptional and limited situations, and only when preapproved. When such comp time is granted, it shall accrue at the regular rate.

- (4) 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 30th of the following calendar year will be converted to cash payment and included in the earnings for the May A pay period (the pay period that includes May 1st).
- (5) The appointing authority has discretion to approve scheduled use of compensatory time earned in lieu of cash payment for overtime hours.
- (6) For more information on compensatory time, please see the UW System Compensatory Time Policy.

K. 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 worked (i.e., work hours between the hours of 12:01 a.m. on Saturday and 12:00 midnight on Sunday).
- (3) **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.
- (4) **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.
- (5) **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.
- (6) **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 patient treatment procedures, 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. Related Documents

- [UW-Stevens Point Mission Statement](#)
- [UW System Operational Policy TC 3](#)
- [UW System Operational Policies](#)
- [UW System Compensatory Time Policy](#)
- [Compensation Adjustment Form](#)
- Wisconsin State Statute: [Art. IV, § 26, Wisconsin Constitution](#)

7. Policy History

- The definition of effective date was corrected on 2/26/2016 to mirror the correct process.