



Charles R. Drew University of Medicine and Science

"A Private University with a Public Mission"

SALARY

CDU POLICY 201.17

Issuing Officer: Vice President of Finance and Chief Business Officer

Responsible Office: Department of Human Resources

Effective Date: January 1, 2019

Revised Date/Review Date (If necessary): July 7, 2017

Supersedes (If necessary): CDU Policy I.E. 00540, Salaries, October 29, 2010

PURPOSE:

The principal objective of establishing a salary program at Charles R. Drew University is to be externally competitive and provide equal or equivalent salary ranges for employees performing similar jobs. Human Resources has developed the salary program to ensure an understanding of compensation and best practices for the University, staff and management employees (non-faculty), and to promote the effectiveness, equity, and consistency in efforts to recruit and retain highly qualified staff and management employees. Our goal is to compensate employees in a manner that is fair, reasonable, competitive, and fiscally prudent.

POLICY TEXT:

The following is not intended to describe all compensation programs available. Some programs described are not available in certain units and or other new programs might become available as a result of policy changes.

Merit Increases

Specific guidelines and procedures are announced each year by the Department of Human Resources.

- Employees in merit-based pay plans will be eligible for merit consideration based on the following:
 - a) must be below the salary range maximum, and
 - b) Must be appointed to the same position for a minimum of 6 (six) months or more.

Promotional Increases

1. Salary Adjustment upon Promotion or Upward Reclassification

The Organization Head or designee may approve salary increases upon promotion or upward reclassification (higher-level classification) not to exceed 15 percent of current salary unless a larger increase is necessary to bring the salary to the minimum of the new salary range.

Individual requests for exception to grant increases in excess of 15 percent upon promotion or upward reclassification must be submitted for consideration for review and approval by the Department of Human Resources.

2. Salary Adjustment upon Lateral Transfer or Lateral Reclassification

Salary increases upon lateral transfer and lateral reclassification are normally not granted. However, the Organization Head or designee may approve salary increases upon lateral transfer and reclassification not to exceed 15 percent of current salary.

Individual requests for exception to grant increases in excess of 15 percent upon lateral transfer and reclassification must be submitted for consideration for review and approved by the Department of Human Resources.

Acting or Interim Appointments

It is expected that employees will occasionally perform duties above and below their grades or classifications. If an employee is assigned to perform all of the key duties of a higher graded position over an extended period of time, the employee should be appointed to an acting or interim position in accordance with related policies (CDU Policy 201.11 Recruitment and Employment). All such appointments must be authorized by the Chief Human Resources Officer.

Reclassification

An employee may be reclassified to a higher or lower pay grade if there are significant changes in a position's duties and responsibilities. A salary increase may be given if a job is upgraded. Movement of a position to a lower grade may result in a salary decrease. In the event of a significant and lasting change in the job duties and responsibilities of an existing position, the organization head or designee should submit a written request to the Department of Human Resources for review. Reclassification requires approval of the appropriate dean or administrator and review and approval of OSP, Finance, and the Department of Human Resources; CDU Policy 201.2 (Classification of Positions).

Reorganization

Managers should consult with the Department of Human Resources when considering a reorganization of a unit, changes in reporting relationships, and major changes in responsibilities. The Dean or Director should submit appropriate justification, current and proposed organization charts, position descriptions of affected positions, and review the proposal with the appropriate Vice President prior to forwarding the reorganization request to the Department of Human Resources.

Salary Adjustments

The Organization Head or designee may approve salary adjustments upon *demotion* to a salary rate within the salary range of the new class.

Upon *downward reclassification* (lower-level classification), an employee's salary is normally decreased. However, under special circumstances, the employee's current salary rate may be retained even though the salary is above the maximum of the salary range of the new classification. If a position is reclassified to a lower-level classification, a red circle rate might be applied. The red circle rate may occur when the current salary is above the maximum of the new salary range.

Individual requests for exception to retain employee salaries above the maximum must be submitted for consideration for review and approved by the Department of Human Resources.

Employees whose salaries are above the maximum of the salary range shall not be granted salary increases until such increases are appropriate within the salary range.

Equity Increases

The Organization Head or designee may approve equity increases not to exceed 15 percent to remedy a salary inequity caused by any of the following reasons:

1. increased duties in a position insufficient to warrant upward reclassification;
2. Staff retention;
3. Changing market conditions; and
4. Internal equity within the unit, department, College, or School.

Individual requests for exception to grant equity increases in excess of 15 percent must be submitted for consideration for review and approved by the Department of Human Resources.

Annual Increases

Individual requests for increases that exceed 25 percent must be endorsed by the appropriate Organization Head prior to being sent to the Department of Human Resources for consideration for review and approval.

Bonuses

Bonuses are a lump sum payment that does not increase the employee's base salary. The employment agreement may include related provisions for the granting of bonuses for reasons such as exceptional performance, retention, critical skills, and recruitment. Executive management may request a bonus for an employee who is eligible by submitting a requisition along with a memorandum to the Chief Human Resources Officer that includes the type of bonus, rationale, and any supporting information. The Department of Human Resources will review the request for compliance with the appropriate Unit Vice President and University compensation practices.

Administrative Stipends for Temporary Assignments

The Organization Head or designee may approve stipends for employees in temporary assignments for an amount not to exceed 15 percent of base salary and for a period of time not to exceed 12 months (CDU Policy 201.10 Dual Employment).

Individual requests for exception to stipend amounts that exceed 15 percent of base salary and for a period of time that exceeds 12 months (including extensions) must be submitted for consideration for review and approved by the Department of Human Resources.

Stipend amounts, which are an additional payment to an employee, are fixed monthly or bi-weekly amounts that generally remain constant during the temporary term of the disbursement. Stipends related to sponsored research projects will need to contact the Office of Sponsored Programs for applicability and general standards; refer to policy ### Stipends on Sponsored Awards.

BACKGROUND:

The salary administration policy of the University shall be applicable to all regular staff and management positions (non-faculty). The purpose of the salary program is to provide ongoing effective, equitable, and market relevant rates of compensation to the incumbents of staff positions. The program will identify salary levels needed to be sufficiently competitive in order to attract and retain highly qualified employees. The salary structure for staff positions shall consist of a prescribed set of salary ranges with minimum and maximum rates; University Staff Salary Schedule.

APPLICABILITY:

All Staff and Faculty Administrators.

ROLES AND RESPONSIBILITIES:

The Department of Human Resources assigns each staff job title to a specific pay grade that has an established minimum to maximum range of allowable salary rates. Staff employees will not be paid at a rate less than the minimum for their grade. Refer to the Staff Salary Schedule for current pay ranges. Human Resources will conduct periodic reviews to assess the accuracy and competitiveness of the Staff Salary Schedule and will make changes as indicated.

When hiring a new employee or rehiring a former employee, the hiring manager and Human Resources will determine the employee's starting salary prior to making a salary offer. The starting salary will be based on the grade of the position and the individual's qualifications, experience, and competencies, as well as budgetary considerations, subject to the following provisions.

If an employee is being hired into a department that has one (1) or more employees in the same job title, the new employee's starting salary should generally not exceed the current salary of any employee in the department with the same job title who has comparable qualifications. The assessment of *comparable qualifications* includes: experience,

competencies, documented job-related performance, and education. The assessment will be conducted by the hiring manager in consultation with Human Resources. If a new employee's salary would create an inequity, the hiring manager must consult with his or her dean or director and Human Resources to determine appropriate salary adjustments for existing employees. Equity increases must be approved by Human Resources before the employee can be hired. Any other potential equity adjustments must be reviewed in advance by Human Resources.

The hiring authority, along with Human Resources guidance, will be responsible for determining the starting salary for a new employee. They are encouraged to utilize the criteria prescribed in the salary program including, but not limited to:

- Market relevance
- Other University employee salaries
- Competencies of the new hire
- Fiscal resources available

When the Department of Human Resources finds that economic or employment conditions make recruitment of qualified applicants within a position pay grade difficult, an Executive Officer may, subject to budgetary limitations, authorize maximum rate adjustments of a position pay grade.

Salary surveys shall be utilized in relevant labor markets. The University labor market is defined as an area of national, regional, or local scope encompassing a competitive market or relevant employer in which employees are either gained or lost.

Salary surveys shall be prepared at least annually under the direction of the Chief Human Resources Officer. The survey will be used in the CDU salary program as the basis to determine market relevance to justify request for salary increases of staff employees and to determine the allocation of salary increase funding to ensure equity in financial support.

A. It is the responsibility of the Department of Human Resources to administer salary programs for the purposes of:

1. Reviewing and approving salary structures and job titles for all positions covered by these policies; responding to, and adjudicating, concerns and inquiries regarding classification standards, benefits, salary rates, or ranges for classes. Refer to CDU Policy 201.7 (Workplace Conflict).
2. Reviewing and formulating equitable solutions to issues related to equal pay or salary discrimination, and monitoring the progress of the campus in dealing with such issues.
3. Developing guidelines to insure standard application of pay policies.
4. Reviewing and recommending and/or approving exceptions to salary policy and procedure limitations where appropriate.

B. It is the responsibility of the Organization Head (or designee) to:

1. Establish appointment rates for new hires and rehires in accordance within the limits set forth in the policy.

2. Develop merit increase recommendations in accordance with published merit guidelines.
3. Determine salary adjustments upon reclassification, promotion and demotion and stipend amounts in accordance with the limits set forth in the policy and procedures.
4. Determine equity increase adjustments in accordance with the limits set forth in the procedures.

COMPLIANCE:

Effective Date

Changes to salaries are typically effective the 1st or 16th of the month after the Department of Human Resources receives a complete classification review request from the department. These timeframes are in respect to the Payroll Office and general administration of taxation records.

Notification

The Department of Human Resources normally notifies the organization head or designee of any salary administration reviews and related salary program requests, effective date, and any changes in Fair Labor Standards Act (FLSA) status. The organization head or designee notifies the supervisor and the employee.

Implementation

The Department of Human Resources updates the personnel system as appropriate and transacts the applicable Electronic Personnel Action Form (EPAF) for the salary adjustment.

Restrictions on the Authorized Use of Extra Compensation

Extra compensation may be authorized, subject to all of the following restrictions.

The additional work (for which extra compensation is to be paid) may not, in the opinion of the employee's supervisor and dean or director:

- Create a time conflict with the performance of the employee's regular duties and assignments or
- Constitute a "conflict of interest" involving the employee, such as a situation that competes with the interests of the employee's primary assignment or the department's interests.

The additional work for which extra compensation is to be paid must be short term, non-repetitive, and restricted in both the number of hours worked and the duration of the assignment.

Required Approval

Advance written approval is required by the employee's immediate Supervisor and Dean or Director, the area Vice President, and the responsible direct supervisor for the department

where the additional work will be performed. All requests for extra compensation must be approved by the Department of Human Resources.

Pay Rate for Extra Compensation

When extra compensation is authorized, the rate of pay must be in accordance with the University's Staff Salary Schedule for the type of work being done and must be approved by the Department of Human Resources.

Salaries Funded by Contracts and Grants

Staff employees whose salaries are funded by grants are subject to all the provisions of this policy and proposed salary levels and or increases. All final approvals must also meet the standards set forth by the Office of Sponsored Programs.

Appeal Procedures

If there is a disagreement regarding the salary review of a position, a request for additional assessment may be made by following the procedures listed in the Workplace Conflict Policy; CDU Policy 201.7 (Workplace Conflict).

APPROVING AUTHORITY:

The University President and Board of Trustees

DEFINITIONS:

Classification. The process by which a position is allocated to an appropriate classification.

Position. A position is a group of duties and responsibilities assigned by management.

Promotion. The change of an employee from one position to another position which has a higher salary range maximum is termed a promotion.

Reclassification, Lateral. The movement of an employee's current position to a different class having the same salary range maximum is termed a lateral reclassification.

Reclassification, Upward. The movement of an employee's current position to a different class or salary grade having a higher salary range maximum is termed an upward reclassification.

Re-delegation of Authority. Authority transferred to the next level.

Re-grading. An action to move an employee's current position to a different salary grade based on market analysis or job evaluation.

Regular Status Employee. A regular status employee is a career employee who is not required to serve an introductory period, or a career employee who has successfully completed a required introductory period and any extension thereof.

Salary Grade. A salary grade consists of a group of job classifications in a given salary range.

Transfer. The change of an employee from one position to another position which has the same salary range maximum is termed a transfer

PROCEDURES:

Not Applicable

RELATED POLICIES:

CDU Policy - 201.2 (Classification of Positions)

CDU Policy - 201.10 (Dual Employment)

CDU Policy - 201.16 (Appointments)

CDU Policy - 201.43 (Job Transfers)