



Policy & Procedure on Pay Admin for Exempt Employees

(Approved by the President on November 14, 2005)

I. PURPOSE

This procedure sets out the details of pay administration for exempt positions in UMBI, as required in Board of Regents VII - 9.11 Policy on Pay Administration for Exempt Positions.

II. BACKGROUND

BOR Policy VII – 9.11 Policy on Pay Administration for Exempt Positions requires that each institution address details of its procedures to implement pay administration for Exempt employees.

III. PRINCIPALS

Employees in exempt positions ("Exempt Employees") will be compensated according to the following principles.

- . Market-based - Pay ranges and structure will be appropriately competitive within UMBI's employment market.
- . Internal Job Value -- Assignment of jobs to pay ranges will reflect the relative value of jobs within UMBI.
- . Individual Pay -- Employees will be paid according to the job value and their contribution to UMBI's mission.

IV. COMPENSATION PHILOSOPHY

- . UMBI will establish and maintain a market-based salary program for exempt employees with salary ranges that are competitive with a broad mix of industries in the regional market place and with public doctoral institutions similar in size to UMB and UMCP.
- . Jobs will be assigned to salary ranges based on the median value of similar jobs in their market.
- . Within these salary ranges, employees will be paid for their individual performance and contribution to the UMBI mission.

V. NEW EMPLOYEES

New Employees When a new employee (regular or contingent) is selected, the candidate shall be paid no less than the minimum and no more than the maximum of the pay level of the position, and should ideally be within 20% of the midpoint of the pay level. Hiring rates will be based primarily upon equity, competency, budget, market, education and experience, and current salary.

VI. PROMOTION

A promotion occurs when, through either competitive process or a position evaluation, an

UMBI Policies and Procedures

exempt employee experiences a pay level change to a higher pay level. Promotional salary adjustments will be based on equity, competency level in the new position, budget, education and experience, and market. The salary will increase a minimum of 6%.

VII. CHANGE OF PAY WITHIN PAY LEVEL

An employee's salary may be adjusted at any time to meet documented critical institutional needs, for equity or market adjustments, or for a substantial increase in duties that does not warrant change to a new pay level. The Request for Classification Action form is used for this purpose.

VIII. SALARY ADJUSTMENTS

Upon Transfer Individuals accepting a within-range transfer will not typically receive a salary adjustment; however, in situations where there are equity, competency, education and experience, or market considerations, an adjustment may be made.

IX. POSITION EVALUATION

Position evaluation may result in a change of title and pay level, and the incumbent may receive an adjustment when the job responsibilities, as documented, have changed significantly. The amount of pay adjustment will be based on equity, competency, budget, market, education and experience, and current salary.

X. REASSIGNMENT

When a reassignment is authorized by the President or designee, the salary that is determined appropriate for the reassignment shall be within the pay range of the new position to which the employee is assigned.

XI. MARKET ADJUSTMENT FOR SPECIFIC TITLES/SALARIES

The UMBI HR office, in partnership with UMBI leadership, will research competitive data and recommend adjustments to pay levels for specific titles, where salaries, as a whole, have fallen behind market. Requests to respond to market pressure for an individual employee's salary are addressed in the "Change of Pay Within Pay Level" section (section VII above).
XII. Structure Adjustment The Exempt Pay Structure is set by the USM and is reviewed every two years.

XII. EQUITY ADJUSTMENTS

The UMBI HR Office, in consultation with UMBI leadership, will periodically review all actions to ensure that the UMBI salary structure and administration are applied in an equitable manner. Adjustments to pay levels and/or salaries may occur at any time when areas of inequity are identified.

XIII. MERIT PAY

The percent adjustment for merit pay is determined each year based on the Chancellor's Salary Guidelines, UMBI Unit guidelines, performance and availability of funds.

XIV. COST OF LIVING ADJUSTMENT (COLA)

Cost of Living Adjustments are at the discretion of the State legislature and are determined

during the annual legislative session. Implementation of a COLA is directed by the USM Chancellor's office.

XV. SALARIES EXCEEDING THE MAXIMUM OF THE PAY LEVEL

- . No new employee will be assigned a salary that exceeds the maximum of the pay level.
- . Employees earning a salary over the maximum of the pay level: Under normal circumstances, an employee's salary may not exceed the maximum of the pay level to which the position is assigned. The maximum may be exceeded by COLA increases, but not by merit increases. Under rare circumstances, when an employee is at the maximum of the assigned range and when analysis determines that the position does not warrant movement to a higher pay level, the supervisor may recommend to the Unit Head that the employee's salary be allowed to exceed the maximum of the salary level through a merit increase. The request detailing strong justification shall be submitted to the Unit Head. If approved by the Unit Head, the request shall be sent to the Assistant Vice President for Human Resources, who shall forward it to the President for review and approval. The Assistant Vice President for Human resources shall forward the President's decision in writing to the Unit Head.

XVI. SUBSTITUTION OF EXPERIENCE IN LIEU OF EDUCATION

Substitution of related experience in lieu of an academic degree will be allowed for all non-management positions, unless prohibited by law. All positions and salaries assigned will be reviewed to ensure compliance and will be updated as posted.