

UP 31.01.01.H1.01: Compensation Administration

Approved: October 29, 2012
Next Scheduled Review: September 2014



Procedure Statement

Texas A&M University-Texarkana (A&M-Texarkana) to ensure a general uniformity of titles, positions will be established based on a grouping of titles which represent selected duties and responsibilities requiring similar abilities and skills. Titles will be taken from the listing of classified and non-classified titles and title codes. Use of standardized titles will ensure uniformity in budgets, payrolls, and other official records and afford a basis for uniform salary treatment of employees.

Reason for Procedure

To establish procedures for the setting of compensation and identify the pay policy for A&M University-Texarkana. This procedure is required by and implements the requirements of System Regulation 31.01.01.

Pay Plan

A&M-Texarkana will pay salaries and wages at a competitive rate to attract and retain outstanding employees within available funds and consistent with the value of the position to the organization. In this context, the determination of pay rates will be dependent upon such factors as availability of funds, qualifications of employees, market conditions, internal equity, and performance. However, in no event will a rate be established that is less than the minimum wage prescribed by state or federal regulations.

All decisions with respect to pay rates will be made without consideration of an individual's race, sex, age, ethnicity, disability, religion, veteran status, or genetics.

Procedures

1. PAY PROCEDURES – CLASSIFIED POSITIONS

1.1 Pay Plan

- 1.1.1 The Director of Human Resources, Chief Human Resource Officer (CHRO) is responsible for assigning title and pay rates for classified positions.

1.2 Pay Rates for New Classified Employees

- 1.2.1 The starting pay for new employees, either in a budgeted classified position or paid from wage funds, will be the minimum rate established for the position in the pay plan. However, supervisors may recommend to their Divisional Administrator to pay a beginning salary up-to the mid-point of the zone range for a budgeted position.
- 1.2.2 In determining the level of pay above the minimum of the range, consideration should be given to the current rate of pay of employees who are in the same job classification and/or pay range to ensure that no internal inconsistencies among positions are created without a valid and legally defensible explanation. It is also prudent to examine the pay rates of employees who are in positions where a series of titles exist (e.g. Specialist I and Specialist II) or in positions where a logical progression is understood (e.g. Technical Assistant I to Technician II) to ensure that a person in a position with a lower pay range does not earn more than someone who holds a position in a higher pay range, unless there is a valid and legally defensible reason.
- 1.2.3 Approval to hire a new employee at a rate above the mid-point of the zone in order to attract a specific candidate with outstanding qualifications and experience must be requested in writing. These requests should be accompanied by the candidate's employment application and/or resume. No offer of employment at a rate that exceeds the mid-point will be offered or considered valid without written approval from the President or designee before the offer is made.

2. PAY PROCEDURES – NON-CLASSIFIED POSITIONS

2.1 Pay Plan

- 2.1.1 The CHRO is responsible for assigning title and pay rates for non-classified positions.

2.2 Departments of A&M-Texarkana will use the Compensation Pay Plan for assigning titles and compensation. The starting pay rates for non-classified positions will be determined by availability of funds, qualifications of employees, market conditions, and internal equity. In no case will the rate of pay be less than the Federal/State Minimum Wage standards.

2.3 Pay Rates for New Non-Classified Employees

- 2.3.1 The starting pay for new employees, either in a budgeted position or paid from wage funds, will be the minimum rate established for the position in the pay plan. However, supervisors may recommend to their Divisional Administrator to pay a beginning salary up-to the mid-point of the zone range for a budgeted position.
- 2.3.2 In determining the level of pay above the minimum of the range, consideration should be given to the current rate of pay of employees who are in the same job classification and/or pay range to ensure that no internal

inconsistencies among positions are created without a valid and legally defensible explanation

- 2.3.3 Approval to hire a new employee at a rate above the mid-point of the zone in order to attract a specific candidate with outstanding qualifications and experience must be requested in writing. These requests should be accompanied by the candidate's employment application and/or resume. No offer of employment at a rate that exceeds the mid-point will be offered or considered valid without written approval from the President or designee before the offer is made.

3. TYPES OF PAY INCREASES

- 3.1 It is the practice of A&M-Texarkana to award salary increases through the regular budget cycle. However, some flexibility is needed to respond to exceptional circumstances, and there are several ways in which support staff salaries can be increased during the fiscal year. All requests for pay increases must be submitted in writing for approval by the President or designee prior to any commitment to the individual or preparation of any budget or payroll documents.

- 3.2 Promotion Increases - Increases that occur when an employee moves from their current position to a higher paid position or increases that occur when job duties, responsibilities, and required qualifications of a position are reevaluated and the position is assigned a new title that warrants a higher rate of pay.

Pay increases will usually be considered and granted prior to the beginning of the fiscal year in accordance with the budget guidelines approved by the Board of Regents. However, increases as a result of promotion may be considered at the time of such action if the funds are available.

Salary rates of promoted employees will be at least the minimum amount of the salary range to which the position is assigned. Increases above the minimum amount will not exceed 10% of the promoted employee's current salary. Requests for salary rates exceeding this amount must be requested in writing for approval by the President or designee.

- 3.3 Mandated Increases - Sometimes known as "across-the-board-increases" where uniform salary increases are granted in accordance with prescribed guidelines, usually established by legislative action, without regard to meritorious performance.
- 3.4 Merit Increases - Increases granted to employees in recognition of meritorious performance with no change in title. There are two methods for granting a merit payment.

- 3.4.1 A merit salary increase is granted to a budgeted employee's salary in recognition of superior performance that advances the purpose of A&M-Texarkana. This salary increase is added to the employee's base salary.

- 3.4.2 A one-time merit salary payment is a lump-sum payment that is granted in recognition of superior performance or achievement that advances the purpose of A&M-Texarkana. This type of merit salary increase is not added to the employee's base salary.

In both instances, six months must have elapsed since the employee's last merit salary increase and the merit salary increase will occur during the annual budget cycle, in accordance with budget guidelines. In cases of clearly exceptional job performance, merit salary increases may be granted in March, and strong evidence must be shown as to why the merit increase cannot be made during the annual budget cycle. Merit increases will be requested in writing for approval by the President or designee prior to any commitment to the individual or preparation of any budget or payroll documents. The written justification will clearly state the reasons for the increase and source of funds. A current Performance Evaluation Form must accompany the written justification.

- 3.5 Equity Increases - Increases granted to employees who perform similar duties and responsibilities, possess comparable qualifications, and have a comparable amount of time in their current position as other support staff in the same title.

As with merit increases, salary adjustments should be made during the regular budget cycle whenever possible. Any request for an out-of-cycle salary adjustment should be supported by strong evidence of need and a compelling argument as to why the adjustment cannot be accomplished during the next regular budget cycle.

- 3.6 Change in Pay Range - Increases that occur when market conditions dictate the adjustment of the pay range for a particular title.

Requests for other out-of-cycle pay increases, including increases to retain key employees, must be submitted in writing and supported by strong evidence of need and a compelling argument as to why the adjustment cannot be made during the regular budget cycle. These requests will be considered on a case-by-case basis, and out-of-cycle pay increases will be effective on or after the final date of approval.

4. BENEFIT REPLACEMENT PAY

- 4.1 System Regulation [31.01.01](#), *Compensation Administration*, defines the parameters in which employees are eligible for Benefit Replacement Pay (BRP) Individuals employed by A&M University-Texarkana on or before August 31, 1995 became eligible for BRP. All eligible employees began receiving BRP on January 1, 1996. BRP is not a separate portion of an eligible employee's pay that must be added to every subsequent salary adjustment. BRP is a one-time adjustment to an eligible employee's salary and additional BRP is not added to an employee's salary upon receiving a promotion. It is considered to be included in the new salary.

This procedure governing BRP administration applies to all A&M-Texarkana employees.

For more information see System Regulation [31.01.01](#), *Compensation Administration*, section 3.3.

Questions related to Benefit Replacement Pay should be directed to the A&M-Texarkana Office of Human Resources at 903-223-3012.

5. POSITION MANAGEMENT

5.1 Establishment of New Positions or Re-titling Existing Positions

All non-faculty positions will be established or reclassified by the CHRO using the A&M-Texarkana Compensation Plan evaluation and job grading documentation.

6. TRANSFERS

6.1 Lateral Transfer

A lateral transfer is a transfer to another position within the same pay range. If an employee transfers laterally to a position the rate of pay will not change. Exceptions may be requested by the supervisor and approved by the President or designee when duties of the vacant position are clearly more responsible or complex than the position the person is transferring from; however, this should be the exception and not routinely requested. The fact that a vacant position is budgeted at a higher rate is not justification to give an employee a raise when a lateral transfer occurs.

6.2 Transfer to a Position With a Lower Pay Range

If an employee transfers to a position in a lower pay range, the new rate of pay will normally be the minimum amount of the assigned pay range of the lower position to which the employee transferred. Upon approval by the President or designee, a rate of pay above the minimum amount for the assigned range, but not greater than the employee's present rate of pay, may be approved for this type of transfer.

Related Statutes, Policies, or Requirements

The A&M System Regulation 31.01.01, *Compensation Administration*,
<http://policies.tamus.edu/31-01-01.pdf>

Contact Office

Office of Human Resources
903.223.3012