



Guideline/Policy Name: **Salary Adjustment Guidelines**

Revision Date: 08/20/03

Approved by: Director, University Services Human Resources

Purpose

Based upon specific criteria relating to a position or under certain unique circumstances, adjustments to an employee's individual pay rate may at times be warranted. Adjustments may be necessary due to issues of internal equity, external market conditions, workload adjustments, or exceptionally meritorious contributions. The three types of salary adjustments available to responsible administrators are in-range adjustments, temporary augmentations, and outstanding service awards. These guidelines discuss each option available, cover the approval process, and provide parameters for salary adjustments in University Services.

In-Range Adjustment

The University allows responsible administrators the option of granting continuing in-range salary adjustments to non-bargaining unit personnel. Reasons for such increases in salary are limited to the categories of market, merit, retention, internal equity and workload adjustments. This type of salary adjustment is to be used with discretion. Decisions to make this adjustment should be made only after consideration of the impact to all positions within a department or larger unit and consultation with a Human Resources Consultant. In-range salary adjustments should be applied judiciously and in full compliance with the outlined criteria and procedures.

Types and Criteria for In-range Adjustments

An in-range salary adjustment is a recurring change of a non-union employee's salary rate within the salary range of the employee's current classification. Regent's policy prohibits the payment of a salary outside of this established range. The types of in-range adjustments and criteria are briefly summarized below.

Market Adjustments

An in-range adjustment may be provided where an incumbent's placement within the salary range is not consistent with relevant market data. The appropriate responsible administrator may initiate a temporary augmentation of the affected employee's salary, if the perceived market problem is such that a unit is in danger of losing employees within a classification before the Office of Human Resources completes a market analysis and a final decision is made on the amount and continuation of any increases.

Merit Adjustments

A merit adjustment may be awarded if the responsible administrator determines that an employee's performance is especially meritorious. The performance appraisal must document an exceptional level of performance or contributions to the unit.

Retention Adjustments

A retention adjustment may be awarded to counter a bona fide employment offer from an outside organization.

Internal Equity Adjustments

Departments are responsible for establishing and maintaining equitable pay relationships within their work units. Factors to consider in determining equitable pay relationships are: employee credentials, employee salary history at the University, and documented employee work performance. Internal equity increases may be recommended whenever an equity problem is discovered.

Every department should establish hiring and promotion practices that provide for overall consistency. It is expected that departments making salary offers to new employees will evaluate the new employee's overall credentials against the salary, credentials, and performance record of existing staff in order to preserve internal equity within the work unit. In the rare event that a unit hires a similarly qualified new employee at a pay rate greater than that of similarly qualified incumbents in the same classification, the responsible administrator may recommend an in-range salary increase to bring incumbents pay into an equitable relationship. The responsible administrator will review the documented work performance as well as credentials of current employees in making pay decisions.

Workload Adjustments

Due to the elimination of positions and/or the greater need to increase a unit's effectiveness and efficiency, it is sometimes necessary to increase an employee's workload. The assignment of higher level responsibilities may result in reclassification to a higher classification for the incumbent. Often times the additional or new duties do not rise to the level which would justify a change in classification. Where there are extreme and documented increases in the workload, the responsible administrator may recommend an in-range adjustment to recognize the additional effort.

Temporary Augmentation

Occasionally it may be necessary for an employee to perform work in a higher classification than their existing classification, or to significantly increase their overall workload responsibilities, in order to meet a department's service or operational needs. The terms surrounding eligibility, timeframes and the amount of augmentation to be paid vary according to the employee's governing document. For the purposes of these guidelines, temporary augmentations are those which continue to be paid for greater than five consecutive work days.

Outstanding Service Award

By reaffirming the University Services values of Excellence, Integrity, Stewardship and Accountability. Outstanding service awards may be awarded by responsible administrators to staff who have demonstrated exceptional levels of high-quality service and extraordinary performance.

Examples which illustrate this level of performance may include:

- Improvements to systems, procedures or processes that result in time/cost savings
- Successful completion of special projects/initiatives above & beyond regular duties
- Contributions that have significantly impacted the department's success
- Providing exceptional service, high quality work, and consistent professionalism
- Outstanding prolonged performance in all job duties

Processing a Salary Adjustment Request

After evaluating the criteria and merits for granting a salary adjustment and having consulted with Human Resources, the responsible administrator should discuss the proposed request with and receive the approval of the appropriate designate listed below. This discussion and consent helps to provide departmental consistency and oversight. Under the Delegation of Authority policy established by the Board of Regents, salary adjustments may be made by following the approval parameters described below prior to granting a salary adjustment to an employee's current rate of pay.

<i>Type</i>	<i>Amount</i>	<i>Needs Approval Of</i>
In-Range Adjustment	Any	AVP/VP
Temporary Augmentation	Any	AVP/VP
Outstanding Service Award	Any	AVP/VP

Once approval has been received, the responsible administrator should draft a letter to their Human Resources Consultant requesting the salary adjustment. The letter should include the rationale for granting such an adjustment, and must be signed by the appropriate designate listed above. Template letters can be found on the University Services Human Resources Web site at (www.uservices.umn.edu/hr/) under "Forms" and then "Letters". After receiving the letter signed with approvals, the Human Resources Consultant will forward it to the appropriate departmental payroll contact for processing.