

Memo to: All UH-Downtown/PS Holders

UH-Downtown/PS 02.B.08

From: Max Castillo, President

Issue No. 2

Effective Date: 09/04/08

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Subject: Staff Salary Compensation Program and Salary Guidelines

1. PURPOSE

This PS provides a general framework for establishing and maintaining a fair, equitable, competitive, and flexible salary administration program for the University of Houston-Downtown (UHD) staff.

2. DEFINITIONS

- 2.1 **Staff:** An employee employed on a regular basis for a period of at least four and one-half months, excluding students employed in positions that require student status as a condition for employment and those holding a teaching and/or research position classified as faculty. For the purposes of this policy, the term employee(s) is used to define all staff.
- 2.2 **Job Descriptions:** All staff covered by the staff compensation program shall have a generic job description that includes the official UHD job title, job code, a general job summary, a list of major duties and responsibilities, and job requirements. The job description is used to evaluate and classify jobs to determine appropriate internal position relationships and to provide job information that can be used to determine competitive pay relationships in the labor market.
- 2.3 **Job Evaluation Process:** A process that determines the relative value of jobs based on internal position relationships and external, market-based data, in order to provide fair and competitive compensation.
- 2.4 **Staff Salary Structure:** A framework that helps ensure parity with other employers by establishing a series of pay ranges. Jobs are classified by pay grade, each grade having a respective pay range with a defined salary minimum, midpoint, and maximum.
- 2.5 **Pay Range:** The range of pay rates, from minimum to maximum, established for a pay grade or class. Typically used to set individual employee pay rates.
- 2.6 **Hiring Range:** The range of compensation new hires are allowed to receive. This should fall between the minimum and midpoint of the respective pay grade. The hiring rate chosen from the range must be commensurate with the new employee's level of education, skill/knowledge, experience, and/or competency.
- 2.7 **Internal Equity Hiring:** A guideline designed to maintain internal equity by not allowing a new employee's hiring salary to be more than an incumbent's within the same job in the same department.

- 2.8 Promotion: The movement of an employee from one pay grade to a higher pay grade within the same pay grade structure. If moving to a different pay grade structure (i.e., from staff pay structure to IT pay structure), the move will be considered a promotion when the new grade has a higher midpoint.
- 2.9 Lateral Transfer: The movement of an employee to a position with the same pay grade. If moving to a different pay grade structure (i.e., from staff pay structure to IT pay structure), the move will be considered a lateral transfer when the new grade has a comparable midpoint.
- 2.10 Fair Labor Standards Act (FLSA): A federal law governing minimum wage, overtime pay, child labor and recordkeeping requirements.
- 2.11 Non-Exempt Employees: Employees who are paid hourly, in accordance with FLSA standards.
- 2.12 Exempt Employee: An employee in a position that is not subject to the overtime provisions of the Fair Labor Standards Act (FLSA). Exempt employees include professionals, administrators, and executives, who are paid on a monthly basis.

3. POLICY

- 3.1 UHD has established and maintains a salary administration program, which is structured to be externally competitive, internally equitable and fairly administered. In order to provide fair and competitive compensation, UHD utilizes a competitive approach by analyzing market salary data from within and outside the university environment, as available.
- 3.2 UHD has established and maintains salary ranges for all positions that fairly reflect the value of each position, relative to all other positions at UHD.
- 3.3 External competitiveness of UHD salaries for jobs is determined by comparing its pay rates and practices with local, regional, and national market survey data reflecting salaries paid to positions by other comparable employers. Factors such as recruiting locale, availability of relevant market data, and market demand for position typically determine source of market data.
- 3.4 Within the University's staff salary structure, there are several pay grade structures, which incorporate minimum, midpoint and maximum salary levels. The pay grade structure defines the salary range by pay grade for specific job groups, such as Information Technology (IT), Police, and other staff (non-IT and non-Police).
 - 3.4.1 The minimum represents the lowest rate of pay for a job within its grade. It is the rate that normally would be paid to a UHD staff who is new to the position, and who meets the minimum requirements for the position by no more than

three years of relevant experience. It represents the typical marketplace “entry” rate. All employees **must be paid** at least at the pay grade minimum.

3.4.2 The midpoint represents the middle of a given salary range or pay grade. It is typically the competitive “going rate” in the marketplace for a fully qualified employee with, on average, six years or more of experience in that position. Employees who have extensive work experience, are highly competent professionally, and may have a significant number of years of experience are generally paid between the midpoint and the maximum of the pay range.

3.4.3 The maximum is the highest level of pay for a job within its grade. An employee at or above the maximum of his/her pay grade will be “red-lined” until such time that the maximum of their pay grade is adjusted upward and the pay grade structure reflects such change. Employees **may not receive any salary increases resulting in a rate of pay above the maximum.** The only exception to this rule is a **state-mandated** adjustment, unless approved by the University President.

3.5 In order to maintain internal equity, hiring managers must adhere to the internal equity hiring guideline by not allowing a new employee’s salary to be more than an incumbent’s within the same job in the same department. An exception may be made when a candidate’s knowledge and experience in the job-related field, and/or education, exceeds the incumbent’s.

4. PROCEDURES

4.1 All staff employed by UHD shall be assigned to a position which corresponds directly to the established pay grade structure. The pay grade structure consists of pay ranges (salary levels) that represent the value of groups of jobs. Midpoints of the pay ranges represent UHD’s desired competitive position to the external market and are determined by statistical calculation based on external salary survey data for benchmark jobs in each pay grade. UHD uses the Staff Salary Structure (Exhibit A), the IT Salary Structure (Exhibit B) and the Police Salary Structure (Exhibit C) to establish compensation limits for jobs.

4.2 UHD shall conduct competitive market analysis, as needed, to benchmark a representative sample of jobs in an effort to follow UHD’s desired proximity to external market rates. Time in position shall be reviewed and tenure salary adjustments addressed as needed. Both actions are dependent upon availability of funds.

4.3 UHD shall conduct a pay grade structure review every five years. Recommended changes to the pay grade structures will be submitted to the University President for approval.

4.4 UHD adheres to the following guidelines when administering the staff compensation program:

4.4.1 New Hire Rate. All individuals who are new UHD employees and whose knowledge, skills, abilities, and experience meet the minimum requirements of the job should be hired at the minimum of the salary grade for the position being filled. However, an employee may be hired at a higher starting salary based on years of directly related and documented work experience, not to exceed the midpoint for the respective position, provided the salary doesn't exceed that of an incumbent in the same job within the same department.

- a. Any exception for hiring a new employee above an incumbent in the same position within the same department must be approved by ESO. The hiring manager must submit a memorandum to the Vice President for Employment Services and Operations outlining how the candidate's knowledge and experience in the job-related field, and/or education exceeds the incumbent's.
- b. Any exception for hiring a new employee above the midpoint must be approved by ESO and the UHD President. The primary determinant for any exception should be based on a combination of the following:
 - 1) demonstrated and documented need to fill a job;
 - 2) the sense of urgency to fill such a job;
 - 3) the unavailability of qualified individuals with the required level of skills, knowledge, experience and competence;
 - 4) the documented competitive market pay required to attract and retain a person under these exceptional circumstances; and
 - 5) the impact on internal equity based on current incumbent(s) with equivalent level of skills, knowledge, experience and competence.
- c. To request a hire rate above midpoint, the hiring manager must prepare a memorandum requesting the exception, stating the rationale/justification taking into account the aforementioned determinants above (4.4.1.b). The memorandum must be presented to the Vice President for Employment Services and Operations (VPESO) for review and submission to the President. After reviewing the request, the VPESO will present the request to the UHD President for a decision.

4.4.2 Below Minimum of Range. All staff shall be paid within the pay range of an assigned grade; no staff shall be paid below the minimum of their respective job grades prescribed by the respective pay grade structure.

- 4.4.3 Maximum or Above Maximum of Range. Any staff at or above the maximum of their respective pay grade shall receive no merit or across the board increases, except for state-mandated raises, unless approved by the University President.
- 4.5 Rehiring. Former UHD staff rehired within one year into the same job shall be given their old rate of pay. In no case should the new salary of a rehired employee be above their former salary unless there has been incremental change to the current salary schedule, or the rehired employee has acquired new licensing, certification(s), knowledge, and/or education that provide a value-added to the position; and under no circumstances should the new salary exceed the maximum of the grade.
- 4.5.1 Former staff rehired after one year's absence or rehired into a different position shall be treated as new employees, i.e., paid up to the midpoint of the range for the position for which they are being hired, dependent upon their level of education, skill/knowledge, experience, and/or competency.
- 4.6 Reclassification. When a job is reclassified to a higher pay grade because a re-evaluation indicates the major duties and responsibilities have increased significantly, the job's title and/or pay grade may change. If a salary increase is in order, the resulting salary shall fall between the minimum and midpoint of the new grade, and may not exceed the salary of an incumbent in the same position within the same department, unless an exception is granted in accordance with section 4.4.1a.
- 4.6.1 With rare exceptions, personnel actions such as reclassifications and promotions will not be permitted in July and August, while the institutional budget for the upcoming academic year is finalized.
- 4.7 Promotion. To be considered for a promotion, the employee must meet the minimum qualifications for the new position. Any UHD employee promoted to a new position at a higher grade may receive a pay increase. The resulting salary must fall between the minimum and midpoint of the new grade, and may not exceed the salary of an incumbent in the same position within the same department. In isolated situations, if an individual's base pay is at a higher level than rates paid to incumbents, or above maximum of the new grade, an individual may be granted a promotion with no change in pay.
- 4.8 Employees shall successfully complete the probationary period for their respective position, i.e., six (6) months for non-exempt or twelve (12) months for exempt employees, prior to becoming eligible for a reclassification/promotion.
- 4.9 Lateral Transfer. Normally, there is no change in the employee's salary when a lateral transfer occurs. Hiring managers who believe circumstances warrant additional compensation above that which is outlined may seek review and approval for an exception to the policy from the VPESO.

- 4.9.1 When an employee's position is reclassified to a lower grade because a re-evaluation indicates reduced duties (e.g., due to a program cutback) a salary adjustment may occur to ensure compliance with UHD's compensation plan. In these circumstances, if the current employee's pay is above the new maximum, the employee's pay will be "red-lined" and all increases, with the exception of state-mandated increases, will be withheld until the compensation level is less than the new maximum.
- 4.10 Interim Job Appointment. Exempt employees appointed to the acting capacity of a supervisor or other management position for a temporary period, normally less than 180 days, may be given a salary adjustment for that period. The adjustment for the interim job appointment is between five (5) percent and ten (10) percent of the salary of the appointee, as recommended by the hiring manager and approved by the Manager of Compensation. This adjustment is subject to the financial resources to make such an adjustment. Non-exempt positions may be eligible for interim appointments on a case-by-case basis, as approved by the Manager of Compensation.
- 4.11 Merit Adjustments. When University funding allows, merit adjustments are awarded effective September 1 to reward the employee's documented job performance.
- 4.11.1 When merit adjustments are funded and authorized, ESO will prepare and distribute detailed guidelines to division heads. The guidelines will include the authorized merit increase budget, performance level required to be eligible to receive a merit adjustment, and other program criteria.
- 4.11.2 In order for an employee to receive a merit increase, a current staff performance appraisal must be on file in ESO. To qualify, the performance appraisal must have been completed on the official university form within the time frame designated in the guidelines and must meet the eligibility criteria designated for merit increase participation.
- 4.11.3 Proposed merit increases will be reviewed, approved, and submitted in accordance with the detailed guidelines distributed by ESO at the time of the authorized merit increase. Merit increases require the approval of the Board of Regents prior to implementation.

5. EXHIBITS

- Exhibit A: Staff Salary Structure
- Exhibit B: IT Salary Structure
- Exhibit C: Police Salary Structure

6. REVIEW PROCESS

Responsible Party (Reviewer): VPESO

Review: Every three years on or before January 1.

Signed original on file in Employment Services and Operations.

7. POLICY HISTORY

Issue #1: 08/01/96

8. REFERENCES

UH System Administrative Memorandum 02.B.01

UH System Administrative Memorandum 02.B.04

UH System Administrative Memorandum 02.B.06

Staff (Non-IT) Salary Structure					
Grade	Standard Hiring Range				
	Min	1st Q	Midpoint	3rd Q	Max
34	97,909	113,819	129,729	145,639	161,549
33	87,418	101,624	115,829	130,035	144,240
32	79,553	91,486	103,419	115,352	127,285
31	71,669	82,420	93,170	103,921	114,671
30	64,567	74,252	83,937	93,622	103,307
29	59,309	67,464	75,619	83,774	91,929
28	53,917	61,331	68,745	76,158	83,572
27	49,016	55,755	62,495	69,235	75,974
26	44,560	50,687	56,814	62,941	69,068
25	40,509	46,079	51,649	57,219	62,789
24	37,563	42,258	46,954	51,649	56,344
23	34,461	38,769	43,077	47,384	51,692
22	31,616	35,568	39,520	43,472	47,424
21	29,005	32,631	36,257	39,882	43,508
20	27,154	30,208	33,263	36,318	39,373
19	25,142	27,971	30,799	33,628	36,456
18	23,280	25,899	28,518	31,137	33,756
17	22,004	24,205	26,405	28,606	30,806
16	20,565	22,621	24,678	26,734	28,791
15	19,220	21,141	23,063	24,985	26,907
14	17,962	19,758	21,555	23,351	25,147
13	16,945	18,640	20,335	22,029	23,724
12	16,326	17,755	19,184	20,612	22,041
11	15,549	16,909	18,270	19,631	20,991
10	14,809	16,104	17,400	18,696	19,991

IT Salary Structure

Grade	Standard Hiring Range			3rd Q	Max
	Min	1st Q	Midpoint		
61	104,273	121,217	138,161	155,106	172,050
60	93,101	108,229	123,358	138,487	153,616
59	84,724	97,433	110,141	122,850	135,559
58	76,328	87,777	99,226	110,676	122,125
57	68,764	79,079	89,393	99,708	110,022
56	63,164	71,849	80,534	89,219	97,905
55	57,422	65,318	73,213	81,109	89,004
54	52,202	59,380	66,557	73,735	80,913
53	47,456	53,981	60,507	67,032	73,557
52	43,142	49,074	55,006	60,938	66,870
51	40,004	45,005	50,006	55,006	60,007
50	36,701	41,289	45,877	50,464	55,052
49	33,671	37,880	42,089	46,297	50,506
48	30,891	34,752	38,613	42,475	46,336
47	28,918	32,172	35,425	38,678	41,932
46	26,776	29,789	32,801	35,813	38,826
45	24,793	27,582	30,371	33,161	35,950

POLICE PAY GRADE STRUCTURE

Exhibit C
PS 02.B.08

Position	Base Pay	+	Tenure Pay	+	Education or Certificate Pay	+	Shift Differential Pay	=	Total Pay
Police Cadet									
Police Officer	\$ 39,063	+	Section A	+	Section B		Section C		Total Pay
Sergeant	\$ 48,413	+	Section A	+	Section B		Section C		Total Pay
Lieutenant	\$ 59,749	+	Section A	+	Section B	_____	Section C	_____	Total Pay

A Tenure Pay (not cumulative)

after 4 years of service	\$ 2,250
after 8 years of service	\$ 4,000
after 12 years of service	\$ 5,750
after 16 years of service	\$ 7,000
after 20 years of service	\$ 8,250

B Education or Certificate Pay - NOT BOTH

Basic Certification	\$ -
Intermediate Certification	\$ 1,200
Advanced Certification	\$ 2,400
Master Peace Officer	\$ 3,000
Associate Degree or 60 college hours	\$ 1,200
Bachelors Degree of 120 college hours	\$ 2,400
Masters Degree	\$ 3,000

C Shift Differential - based on full-time shift assignment

Assigned to 2p - 10p	\$ 0.25/hour
Assigned to 10p - 6a	\$ 0.50/hour