February 12, 2014

Dear Colleagues,

The following includes guidelines for salary actions relating to staff positions including Administrative and Professional (A&P) and Classified positions.

**Process for New Position, Replacement and Reclassification Review Requests:**

As part of the budget planning process, departments may request reviews for reclassifications and new and/or replacement positions. The **Position Review and Request Form (PRR)** must be completed, reviewed and approved by HR for each position prior to submitting in the budget workbook. New positions may require the completion of the **Position Description Questionnaire (PDQ)**. The contact person listed on the PRR will be informed by the HR Compensation Manager, if the PDQ or any additional documents are required. All requests will be reviewed by the Office of Budget and Resource Planning and will require approval by the Dean and/or Provost (where applicable), or the division Vice President (VP), and the Office of Human Resources (HR) before requested changes are implemented.

HR will review all staff salary increase submissions prior to approval. Factors such as internal equity, performance management, and market demands will be considered when reviewing salary changes.

Once the position review is complete, the department will be notified of the results by HR. All new and replacement staff positions must be posted to support UTD’s efforts to promote equal opportunity for all applicants.

**Salary Increase Guidelines for the FY’15 Annual Budget Planning Process:**

All salary increases addressed during the annual budget process will be effective at the beginning of the new fiscal year. Before determining merit increases for classified staff, please refer to the **Pay Grades for Classified Staff**. All increases should be set to ensure that staff are paid at least the minimum for their pay grade and do not exceed the maximum of the current salary range. If an employee’s current annual salary is at the maximum of the pay grade, a one-time merit payment should be made in lieu of an annual pay increase.

Before determining merit increases for A&P staff, please consult with the Dean and/or Provost (where applicable), or the division VP and HR to assist in determining salary increases that are equitable, performance based and aligns with department and University standards.

**Merit increase Submissions:** Merit increases are granted as a part of the annual University merit pay plan and implemented during the annual operating budget planning process. Merit increases are performance-based salary increases granted to employees whose performance and productivity is consistently above what is normally expected and required. Merit increases may:
be granted to staff employed in their current job for at least six (6) continuous months before the effective date of the increase.

- be granted if the effective date of the increase is at least six (6) months after the employee’s last promotion, transfer, or merit salary increase.

- require justification and the approval of HR if the proposed merit increases will be over 5%.

**Market/Equity:** A market/equity adjustment is a change in pay rate based on internal salary parity, external labor market parity, or as a counteroffer to a written job offer. Any request for a market/equity adjustment in addition to a merit increase must include a written justification and be recommended by the Dean and/or Provost (where applicable), or the division Vice President, and will require the approval of HR.

**Reclassification:** A reclassification may be required when there is a substantive change to the duties and responsibilities of a job that may occur due to changes in the organization, type of work, staffing requirements, technology or when the classification (title, grade, or status) assigned to the job is incorrect based on the actual job duties.

New requests for position reclassifications that have not been identified in Phase I of the budget planning process will not be reviewed or approved until after the budget planning process has ended. During this “blackout period” (April 1 – September 1), only positions identified as mission critical will be considered for a reclassification on a case-by-case basis. This applies to positions with current incumbents only and does not apply to the review process for vacant positions that will be posted.

**Promotion:** A promotion occurs when an existing employee is competitively selected as the most qualified candidate for an existing vacant position OR as a means to reward an employee who has mastered all elements of the current job and meets the requirement of a higher level job. If an employee is promoted after March 1, the employee will not be eligible to receive merit on September 1.

**Note:** To ensure new employee salaries are within the pay grade ranges, any starting salaries offered after March 1 will be based on 2015 pay grade ranges.

**Staff salary increase guidelines outside the annual budget planning process:**

Any salary action not addressed during the annual budget planning process can be addressed after the beginning of the fiscal year. As with salary actions during the budget planning process, HR will review all salary requests over 5% of the salary range minimum.

Before determining a salary increase for classified staff, make sure the employee’s annual salary falls within the established salary range for their pay grade. All classified salaries should be at least at the minimum for the pay grade and may not exceed the maximum of the salary range. When considering the amount of the increase, the following should be considered:

Salary ranges can be divided into quartiles to provide guidelines for where an employee’s salary should fall based on their job knowledge/experience.
Office of Human Resources
FY’15 Budget Salary Action Guidelines
Please send feedback or questions regarding this form to jobs@utdallas.edu

Minimum of Range | Midpoint of Range | Maximum of Range
---|---|---
**First Quartile** | **Second Quartile** | **Third Quartile** | **Fourth Quartile**
- Meets minimum qualifications
- Has little or no previous experience
- Requires additional training to build knowledge and skills
- Entry Level
- Previous related experience
- Demonstrated ability to perform duties
- May need additional training to perform duties independently
- Meets preferred qualifications
- Demonstrated ability to perform duties independently
- Consistently exhibits core competencies
- Seasoned Professional/Mid-Career
- Subject Matter Expert
- Exhibits broad and deep knowledge of job and related areas
- Senior-Level Job Expertise

- **First Quartile**: (from the minimum up to halfway to the midpoint of the range): The first quartile of the range is usually intended for individuals who are new to the grade, are in a learning situation, and/or do not have substantial experience in the new position.

- **Second Quartile**: The second quartile of the range is intended for employees who have gained experience and skill and who are becoming more proficient in the position for which they were hired. They generally meet expectations in their positions.

- **Midpoint**: The midpoint usually represents the market rate for this position, and represents fully experienced employee at that level.

- **Third Quartile**: The third quartile is typically reserved for experienced employees who frequently exceed expectations.

- **Fourth Quartile**: The fourth quartile of the range is normally reserved for individuals who are consistently exceptional performers and who have extensive experience.

*Example:*

<table>
<thead>
<tr>
<th>Salary Grade</th>
<th>001</th>
<th>002</th>
<th>003</th>
<th>004</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Quartile</td>
<td>Second Quartile</td>
<td>Third Quartile</td>
<td>Fourth Quartile</td>
<td></td>
</tr>
<tr>
<td>Annual</td>
<td>$17,265-$18,988</td>
<td>$18,989-$20,711</td>
<td>$20,712-$22,435</td>
<td>$22,436-$24,158</td>
</tr>
<tr>
<td>Monthly</td>
<td>$1,439-$1,582</td>
<td>$1,583-$1,725</td>
<td>$1,726-$1,869</td>
<td>$1,870-$2,013</td>
</tr>
</tbody>
</table>
*This example represents guidelines for determining salary. Other factors may be considered if necessary.

- Starting pay greater than 5% above the minimum will require review and approval by HR.
- Salary increases greater than 5% above the employee’s current salary will require review and approval by HR.
- Salaries requiring a special premium due to unusual job market condition, hard-to-fill, University critical position or requiring special knowledge and skills will be reviewed by HR using market data as well as internal equity.

The salary of a new A&P position or an increase for an employee promoted to an A&P position shall be established in consultation with the Dean and/or Provost or the division VP, and HR prior to the job offer being extended or notification to employee of any pay increase.

**New Hires:** In general, the starting salaries of new hires should not exceed the midpoint of their salary range, providing the new employee opportunity for future growth within the salary range. Proposed salaries greater than 5% above the minimum of the salary range is subject to review by HR prior to the job offer being extended. Justification is required for proposed starting salaries above the first quartile.

**Counteroffers:** If the requested salary increase is for a counteroffer, the justification must include a copy of the written job offer. Once this action has been approved, a PAF must be submitted to complete the change.

**Lateral transfer:** A lateral transfer occurs when an existing employee is competitively selected as the most qualified candidate for an existing vacant position within the same pay grade of their current job. Typically, with a lateral transfer the employee’s salary does not change. However, based upon approval by HR, the salary/pay rate may be increased or remain the same. If the annual salary is increased, it cannot exceed the maximum rate of the new salary range and will require justification for increases over 3% of the current salary. Once approved, this action should follow the regular job offer process to be completed.

**Promotion:** The PRR is used to request a promotion. There must be an available funded position and justification for the promotion must be submitted and approved by the Dean and/or Provost or the division VP, and HR prior to notifying the employee of any job change. Justification will be required for proposed promotional salary increases over 5%.

**Voluntary Demotion:** A voluntary demotion occurs when an existing employee applies for and is competitively selected as the most qualified candidate for an existing vacant position within a pay grade lower than their current job. Because the employee voluntarily applied for a lower graded job, the employee will not receive an increase in salary. If the employee’s current salary aligns with the internal equity of the new pay grade, the employee’s salary may not be impacted. If the employee’s current salary does not align with the internal equity of the new pay grade, the employee’s salary may be decreased.
Office of Human Resources
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Reclassification: Positions may not be submitted for review more than one time within a 12 month period. A PDQ should be completed to develop a new job description if the position does not currently exist in the UTD position library.

Resources

HR serves as a resource to partner with managers in all employment and compensation decisions. Each department has a dedicated Employment Specialist available to assist with questions regarding employment and determining starting salaries. In addition to the Employment Specialist, the Compensation Manager is available to assist with developing job descriptions, determining pay and creating short and long-term compensation strategies. It is important to involve HR as early as possible to ensure the most efficient and effective process.

For assistance, you may contact:

Employment Specialist:
Evelie Giddings - x 3561 eag123230@utdallas.edu
Nancy Joseph - x 2219 nkj140030@utydallas.edu

Compensation Manager:
Diana Overhauser - x 4632 dgo130030@utdallas.edu

Director Employment Services:
Ilyce Murray - x 5153 iam130030@utdallas.edu

Any questions regarding these guidelines should be directed to the Office of Human Resources x2221.

Thank you,

Colleen Dutton, SPHR
Assistant Vice President Human Resources