

## **Policy 5-401: Staff Compensation**

### **I. Purpose**

To provide a guiding policy for Employee compensation at the University of Utah.

### **II. References**

- A. [Policy 5-403: Additional Compensation and Overload Policy](#)
- B. [Compensation Procedures](#)
- C. [The Fair Labor Standards Act](#)
- D. [The Equal Pay Act](#)
- E. [Title VII of the Civil Rights Act of 1964](#)
- F. [Pay Transparency Nondiscrimination Provision](#)

### **III. Policy**

The University of Utah maintains an Employee Compensation Program consistent with Title VII of the Civil Rights Act, the Equal Pay Act, the Fair Labor Standards Act and other Federal State and University regulations.

#### A. Fair Labor Standards Act

##### 1. Exemption Status

University Employees are subject to the requirements of the Fair Labor Standards Act. Human Resources shall evaluate each job and determine which jobs satisfy the Fair Labor Standards Act exemption tests. The determination of exemption status shall be made based on the duties and responsibilities of the job

## 2. Minimum Wage

The University pays at least the current Federal minimum wage to all Employees.

## 3. Work Hours

The workweek at the University begins at 12:01 a.m. Saturday and ends at midnight the following Friday. Each department establishes standard hours of operation and schedules employees accordingly. Departments shall provide unpaid meal breaks and paid rest periods as appropriate.

- a. Meal breaks are unpaid as long as the employee is completely relieved from duty (uninterrupted by work) for a period of at least 20 minutes.
- b. University practice supports paid rest periods (breaks) for Non-exempt Employees. Rest periods may not be saved for later use, or used to compute additional pay.

## 4. Overtime/Compensatory Time

A Department may require Non-exempt Employees to work overtime; however, supervisors will keep overtime hours to a minimum. The University provides overtime pay or compensatory time off to Non-Exempt employees whose work exceeds 40 hours in a workweek. Employees shall obtain their supervisor's approval prior to working overtime hours. Employees who do not obtain approval prior to working overtime hours may be subject to disciplinary action.

## 5. Record Keeping

Each department maintains accurate time and attendance records for all Employees within the department. Non-exempt Employees must record the total number of hours actually worked each day including start and stop times. Exempt employees must record any full-day absence.

## 6. Employment of Minors

Employment of persons under the age of 18 is governed by the Fair Labor Standards Act.

### B. Job Analysis and Evaluation

Individual positions are reviewed by Human Resources and grouped with other similar positions wherever possible. The groups of positions, known as jobs, are documented, evaluated, and assigned to a salary grade. Job analysis and evaluation takes place at the request of Human Resources or the department administration and requires review by the cognizant Vice President/Dean. Information that results from the job evaluation program is used to promote compensation equity and consistency across the University.

### C. Pay Guidelines

The University ensures that all Employees are compensated fairly.

#### 1. Pay Adjustments

Pay increases are generally given as part of the annual budget cycle and implemented at the start of the fiscal year. Human Resources, together with department administration, examines issues that arise outside the annual budget cycle. All off-cycle salary adjustments receive review and approval from the cognizant Vice President/Dean. Some examples of issues that may be addressed off-cycle are the following:

##### a. Transfers and Reclassifications

Employees who are promoted may be eligible for a pay increase in connection with the transfer or reclassification; however, Employees whose transfer or reclassification results in a lateral move or demotion shall not receive a pay increase in connection with the action and may receive a pay decrease as determined by department administration.

b. Market Adjustments

Human Resources collects and analyzes market data for common jobs, also known as benchmark jobs, on an ongoing basis. Periodically, a job may be moved to a different pay grade. Human Resources may recommend that market adjustments be given to Employees in affected jobs.

c. Other Salary Adjustments

Employee retention issues related to competitive offers, critical market conditions or resolution of departmental salary inequity are additional reasons for off-cycle salary adjustments. Off-cycle salary adjustments shall not be used to reward performance. Merit adjustments are awarded through the annual budget cycle.

2. Pay Additives

Pay additives shall be given in addition to an Employee's regular pay for specific reasons as described below. Pay additives do not increase the Employee's base pay.

a. On-Call and Callback

The University compensates Non-exempt Employees who are required to remain on-call and/or who are called back to work.

b. Pay Differentials

The University may provide a pay differential for hours worked in the capacity for which the differential was implemented. Human Resources shall establish differential rates. The use of pay differentials is limited to areas that have been pre-approved by Human Resources, department administration and the cognizant Vice President/Dean.

c. Additional Compensation

Additional compensation may be used to compensate Exempt Employees for additional temporary efforts or assignments that significantly deviate from the job's normal expectations.

d. Bonus/Incentive Compensation

The University may authorize the use of bonus payments to compensate Staff Employees as a part of a documented performance management program. The use of bonus payments is limited to areas that have been pre-approved by Human Resources, department administration and the cognizant Vice President/Dean.

D. Pay Transparency Nondiscrimination Provision

As of January 11, 2016, OFCCP Executive Order #11246 requires affirmative action and prohibits federal contractors from discriminating on the basis of race, color, religion, sex, sexual orientation, gender identity, or national origin. Contractors are also prohibited from discriminating against applicants or employees because they inquire about, discuss, or disclose their compensation or that of others, subject to certain limitations. University of Utah provides annual Transparency reports to the State of Utah. Public employees' compensation can be found here: <https://www.utah.gov/transparency/>

E. Exceptions to Policy

Exceptions to the Employee compensation policy require the review of Compensation Management and the approval of the Chief Human Resources Officer.

**IV. Rules, Procedures, Guidelines, Forms and other Related Resources**

A. Rules

B. Procedures

[Payroll Overpayment](#)

C. Guidelines

D. Forms

E. Other related resource materials

**V. Contacts**

Policy Owner: Questions about this Policy and any related Rules, Procedures and Guidelines should be directed to the [Director of Compensation & BI](#).

Policy Officer: Only the [Chief Human Resources Officer](#) or his/her designee has the authority to grant exceptions to this Policy.

**VI. History**

Editorially revised: April 9, 2020

Editorially revised: October 11, 2011

Editorial changes were made to this document to reflect the changes in employee definitions as set forth in [Policy 5-100](#).

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Reviewed: Academic Senate 5/7/90 Approved: Board of Trustees 4/8/02

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