

Policy 5-401: Staff Compensation

Revision 3. Effective date: June 14, 2022.

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I. Purpose and Scope

A. Purpose.

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

B. Scope

[reserved]

II. Definitions

[reserved]

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

- a. 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

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

3. Work Hours

- a. 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.
 - i. 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.
 - ii. 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. 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

- a. 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

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

B. Job Analysis and Evaluation

1. 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

1. The University ensures that all Employees are compensated fairly.

2. 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. Requirements for pay adjustments due to transfers are described in Policy 5-108.
 - 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.
3. 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

- 1. 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 proves annual Transparency reports to the State of Utah. Public employees' compensation can be found here: transparent.utah.gov.

E. Exceptions to Policy

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

Parts IV-VII of this Regulation are regulations resource information – the contents of which are not approved by the Academic Senate or Board of Trustees and are to be updated from time to time as determined appropriate by the cognizant Policy Officer and the Institutional Policy Committee, as per Policy 1-001 and Rule 1-001.

IV. Policies/ Rules, Procedures, Guidelines, Forms and other Related Resources

- A. Policies/ Rules. [reserved]
- B. Procedures, Guidelines, and Forms. [reserved]
 - 1. Payroll Overpayment
- C. Other Related Resources. [reserved]

V. 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

VI. Contacts

The designated contact officials for this regulation are

- A. Policy Owner(s) (primary contact person for questions and advice): Director of Compensation & BI
- B. Policy Officer(s): Chief Human Resources Officer

See Rule 1-001 for information about the roles and authority of policy owners and policy officers.

VII. History

- A. Current version. Revision 3.
 - 1. Approved by Board of Trustees June 14, 2022 with Effective Date of June 14, 2022.
 - 2. Legislative History

3. Editorial Revisions [reserved]

B. Previous versions.

1. Revision 2. Effective April 9, 2020

C. Renumbering

1. Renumbered from Policy and Procedures Manual 2-2.1