

**Sam Houston State University**  
**A Member of The Texas State University System**

**Finance & Operations Human Resources Policy WS-2**  
**Staff Salary Administration**

**SUBJECT:** Staff Salary Administration

**PURPOSE:** To provide a consistent and uniform method of determining pay rates for non-faculty employees.

**POLICY:** It is the policy of Sam Houston State University to administer compensation fairly and equitably based on valid classification and performance standards.

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**1. Responsibility**

The Human Resources Director is vested with the responsibility and authority to administer the staff salary administration program. Full cooperation at all levels of management and supervision in the administration of policy is required. The criteria used to determine compensation and salary administration is reviewed by the Director of Human Resources to assure Equal Employment Opportunity (EEO) compliance.

**2. Hiring Rate**

New employees normally will be compensated at the minimum level of the salary range applicable to their job classification. State social security benefit replacement pay is included in the minimum pay level. Under special circumstances, the Director of Human Resources may authorize a starting salary above the minimum of the salary range. Exceptional hiring rates are for those positions where the market rate dictates and where hard to fill positions are being sought after by candidates with exceptional qualifications.

- a. Exceptional Qualifications -- The individual has directly related work experience and/or formal education or training substantially above the minimum requirements specified for the job.
- b. Labor Market Going Rate -- The going rate in the labor market is substantially higher than the minimum rate making it virtually impossible to hire a well qualified individual.

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**3. Trainee Rate**

A trainee rate is a special rate of pay applied to a position that requires formal and/or on-the-job training before the incumbent can perform the duties of the position with minimal efficiency. The trainee rate of pay will be determined based upon the employee's qualifications, and is normally set at an appropriate rate below the minimum of the salary range applicable to the position. The trainee rate is normally necessary only when there has been a deficient job search of qualified applicants. However, it may be recommended as an aspect of employee development to provide promotional opportunities to current employees. The length and type of training program should be delineated, communicated to the incumbent, and usually will continue until the trainee has satisfied the minimum job specifications, obtains special certification/training, and/or has obtained a combination of education, experience, and training that will produce the required knowledge and abilities for the position. It is the responsibility of the supervisor or department head to initiate the necessary action to accomplish the salary adjustment for the employee following successful completion of the training period. A trainee rate requires prior approval by the Director of Human Resources.

**4. Maximum Rate**

The salary of an employee will not exceed the maximum rate of the salary range applicable to the employee's position except when approved for seniority merit pay.

**5. Promotions**

When an employee is promoted to a position of increased responsibility requiring a change of title and having a higher salary range, the employee should receive the greater of either a salary adjustment to the minimum of the salary range of the new position or a salary that is 5% above the employee's salary before promotion. A salary increase in excess of the 5% promotional adjustment described above may be proposed by providing proper justification, usually based upon additional experience and qualifications or market value for administrative positions, for approval to the Director of Human Resources and Divisional Vice President.

**6. Demotions**

When an employee changes to a position requiring a change of title to one having a lower salary range, the employee's salary will be adjusted to an appropriate level within the new salary range as agreed upon by the department head and Director of Human Resources.

**7. Lateral Transfers**

When an employee is transferred laterally to another position having the same or different title, but the same salary range, the employee will normally be given the same salary as before the transfer. With proper written justification and approval of the Director of Human Resources and Divisional Vice President, an employee may receive a salary increase as the result of a lateral transfer.

**8. Merit Pay Increases**

Merit salary increases may be granted to staff employees whose job performance and productivity is consistently above that normally expected or required (Meritorious Service).

- a. Annual Performance Appraisal -- A merit pay increase may be requested by the supervisor as a result of the Annual Performance Appraisal (see Human Resources Policy ER-6, Staff Evaluation System). The request is submitted by the employee's immediate supervisor, through the department head, to the Director of Human Resources.

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- b. Special Merit Pay Increase -- Under special circumstances a merit pay increase may be approved by the University President. To request a special merit pay increase, a Staff Performance Evaluation Form (SPE) and a Payroll Action Form (PAF) approved by the Department Head and the Division Vice President must be submitted to the Director of Human Resources at least one pay period prior to the effective date. The Director of Human Resources will assure compliance with SHSU policies and procedures, evaluate the justification, and make a recommendation to the President.

**9. Seniority Merit Pay**

Seniority merit pay allows employees with a minimum of ten years service at Sam Houston State University who have reached the maximum pay level for their current job classification to receive a merit pay increase based on meritorious service. The seniority merit pay allows employees to exceed the maximum of their job classification pay range based on years of service at Sam Houston State University as follows:

<u>Years of Service</u>	<u>% Added to Maximum</u>
10-14	10%
15-19	15%
20+	20%

**10. Special Pay Adjustments**

Adjustments to pay rates may be made when it is necessary to assure that compensation is adequate to retain good employees.

- a. Six-Month Pay Adjustment -- Employees in a new job may receive a six-month pay adjustment upon completing six months of service. This is not considered a merit pay increase. It will be the responsibility of the supervisor to evaluate the employee's performance, complete a Six-Month Review Form (to be retained in the department) and process the six-month adjustment at a time as near as possible to the six-month period. The amount of the adjustment is based on the progress the employee has made in achieving the requirements of the job. A Payroll Action Form (PAF), with appropriate justification, should be submitted through administrative channels to process a six-month pay adjustment. Adjustments should not be retroactive.
- b. Market Adjustment -- The value of all jobs is influenced by the going rate in the labor market. In some cases the market value of a job is the most appropriate measure in establishing the salary. A market adjustment is allowed when necessary to stay competitive in the labor market. To make a market adjustment to a staff job, the department head should contact Human Resources for details on the collection of relevant data and how to prepare the proposal. All market adjustments should be presented during the annual budget preparation process in ample time to be included in the next fiscal year budget.

**11. Special Duty Pay**

The Appropriations Act does not provide for bonus pay or the augmenting or supplementing of an employee's salary with state funds unless specific grants of authority are provided by law or act. However, state employees when approved in advance by administration are eligible for extra duty pay and/or a pay differential for certain tasks that are not a part of their regular duty assignment. These tasks are usually temporary, occasional, sporadic and/or for special duties.

- a. Temporary Assignment -- To facilitate the work of the University during emergencies or other special circumstances, an employee may be assigned temporarily to other duties for a period, usually not to exceed six (6) months, and during that time, may receive the appropriate rate of pay for the temporary assignment.

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- b. Extra-Duty Pay -- This is for services performed outside the regular duty assignment such as professional services explained in Academic Policy Statement 940202, Payments to University Employees for Services, and for non-related regular duty tasks such as but not limited to score keeping, test proctoring, ushering, etc.
- c. Pay Differential -- A pay differential is a rate added to an employee's regular rate of pay for services performed during their regular duty schedule that is not required in their regular duty assignments. Usually, the pay differential is for only the time spent on the special assignment. An example of a special duty assignment could be asbestos abatement.
- d. Standby and Call-In Duty Pay -- This is an agreed upon amount of pay for such services performed as explained in the Human Resources Policy ER-3, Work Schedules, item number 9.
- e. One-Time Payments -- This is a method of payment used to process salary payments for services performed for a variety of different tasks. It may be used to process payments for professional services, a temporary assignment, extra-duty stipend, a pay differential or to pay an employee hired only for a temporary job. The timing and frequency of one-time payments is determined in advance by the Department Head and Vice President. One-time payments are coded as either:
  - Job Code 8002 -- One-Time Pay Exempt
  - Job Code 8003 -- One-Time Pay Non-Exempt
  - Job Code 8004 -- One-Time Pay Students

The "Special Instructions/Information" section of the Payroll Action Form (PAF) should include a justification of the one-time payment amount, stating the hours or period worked and hourly rate.

Unless the services performed qualify as exempt by being executive/administrative, professional, outside sales, or is voluntary work by non-exempt employees that is occasional or sporadic on a part-time basis in a different capacity and occupational category than their regular assignment, the pay is subject to the overtime provisions of the Fair Labor Standards Act, U.S. Department of Labor regulations.

## **12. Student Wage Rate**

- a. The student employment process is decentralized to the hiring supervisor, Office of Financial Aid for college work study students, and University Colleges and Academic Affairs for student teaching positions such as assistant instructors and doctoral fellow. The respective employing areas are responsible for setting the rates of pay on an equal pay for equal work basis.
- b. Undergraduate student positions usually receive a base pay rate determined by current federal minimum wage.
- c. Graduate Teaching Assistant and Doctoral Fellow positions have a base pay rate as established by the University Colleges and Academic Affairs.
- d. When the proposed salary for undergraduate student assistant positions is greater than the current minimum wage, or when the proposed salary for non-doctoral, research, and graduate assistant positions is greater than the current Graduate Teaching Assistant base rate, a written justification of the proposed salary may be required by the Director of Human Resources on the Payroll Action Form (PAF).
- e. The Comprehensive Personnel Pay Plan contains a section on average wages by titles for reference information on current student wages.

Reviewed by: David L. White, Interim Director of Human Resources – 05/06/2009  
Next review: 02/01/2010