

31.01.01.C0.01 Employee Compensation Administration



Revised: July 30, 2019
Next Scheduled Review: July 30, 2024
[Revision History](#)

Procedure Summary

Texas A&M University-Corpus Christi (TAMU-CC) is committed to attracting, retaining, and rewarding a qualified and diverse workforce. Within the boundaries of financial feasibility, employee compensation shall be externally competitive and internally equitable. This procedure provides guidance to ensure consistency in salary actions and compliance with federal and state laws, system policies and regulations, and the Texas A&M University System (system) pay plan administration program guidelines.

Definitions

Base Salary – Annual budgeted salary for the term of the appointment, including benefit replacement pay. This excludes stipends, overtime pay, longevity/hazard duty pay, and any other benefit-related compensation.

Demotion – When an individual moves from one position to another position having a lower pay range and/or less senior title requiring less education, experience, and responsibility.

Lateral Transfer – When an employee moves from their current position to a position which is in the same pay grade and/or requires similar levels of knowledge, skills, and abilities.

New Hire – When an individual who is not currently an employee is hired.

Promotion – When an individual moves from one position to another position requiring higher qualifications, a higher rate of pay, and a title change.

Reclassification – When the job duties of a position are re-evaluated, and the position is assigned to a new classification. A position that is re-evaluated may be assigned a lower or higher salary range and/or title. In such cases, the position occupant will concurrently be judged to have been promoted, demoted, and/or reclassified.

Procedure

1. GENERAL

- 1.1. Personnel actions must be processed in accordance with the requirements of this procedure and all other requirements stipulated in system regulation *31.01.01, Compensation Administration*.
- 1.2. Human Resources will maintain and publish a pay plan for TAMU-CC non-faculty positions that is derived from the system pay plan. In addition, Human Resources will administer position titling and compensation processes for TAMU-CC non-faculty employees and ensure compliance with the system Pay Plan Administration Program Guidelines.
- 1.3. TAMU-CC utilizes the system level pay grade structure. There is a system pay grade structure for Information Technology and a second structure for all non-Information Technology jobs. Each pay grade has a minimum, maximum, and midpoint. Pay grade quartiles are used to determine compensation based on an individual's education and skill level.
 - (a) **First Quartile:** The first quartile of the range is usually intended for employees who are new to the grade, are in a learning situation, and/or do not have substantial experience in the new position.
 - (b) **Second Quartile:** The second quartile of the range is intended for employees who have gained experience and skills and who are becoming more proficient in the position for which they were hired.
 - (c) **Midpoint:** The midpoint represents the market rate for the position and is intended for fully-experienced employees at that level.
 - (d) **Third Quartile:** The third quartile is typically reserved for experienced employees who perform all tasks independently and consistently exceed expectations in exhibiting the core competencies of the position
 - (e) **Fourth Quartile:** The fourth quartile of the range is normally reserved for individuals who are considered the subject matter expert in their position with a depth of knowledge that extends beyond their primary responsibilities.
- 1.4. When a non-faculty position is created or reclassified, the responsibilities and minimum requirements of the position are reviewed by Human Resources and assigned an appropriate job profile. Exempt or non-exempt status will be determined based on criteria established in the Fair Labor Standards Act.

2. TYPES OF SALARY ACTIONS

- 2.1. There are several ways in which an employee's salary may be increased after hire:
 - 2.1.1. Promotion Increase: An increase that occurs when an employee is promoted.

- 2.1.2. **Across-the-Board/Cost of Living Increase:** A uniform salary increase given in accordance with prescribed guidelines, usually by legislative enactment, without regard to individual merit of employees.
- 2.1.3. **Merit Salary Increase:** An increase granted to an employee in recognition of meritorious job performance with no title change as outlined in university rule *31.01.08.C1, Merit Pay*. There are two (2) types of merit salary increases: merit raise and merit payment.
- 2.1.4. **Temporary Salary Increase:** An increase to compensate an employee who assumes additional and/or a higher level of responsibilities on a temporary basis. See university procedure *31.01.01.C0.02, Temporary Salary Increases* for additional information.
- 2.1.5. **Equity Adjustment:** A salary adjustment made for the purpose of establishing a fairer and more comparable relationship between the salaries of two (2) or more employees in the same job title or pay grade relative to experience, education, and/or certification. Requests for equity adjustments should include documentation justifying the increase and indicating the source of funding.
- 2.1.6. **Market Adjustment:** A salary increase granted to establish equity/competitiveness with salaries paid in the relevant labor market, as documented by approved survey data.

3. **SALARY ADMINISTRATION FOR NON-FACULTY NEW HIRES, PROMOTIONS, RECLASSIFICATIONS, DEMOTIONS, AND TRANSFERS**

- 3.1. Salary increase requests must include a justification statement and an indication of the source of funds. Salary equity within the department should be reviewed, and consideration should be given to established salary ranges and/or relevant market data. Human Resources should be consulted to determine fair and equitable salary recommendations. A Position Review form should be completed by the requesting unit and sent to Human Resources. This form can be found in the Appendix section of this procedure. Contact Human Resources for guidance.

- 3.1.1. **Salary Offers Resulting from the Hiring Process**

The base salary rate of a new hire or an employee selected to fill a vacant position will normally be within the first quartile of the position's assigned pay grade. A candidate who has qualifications that significantly exceed the minimum requirements for the position may be approved for a salary rate above the first quartile of the pay grade. With justification based on relevant market data or other compelling factors, department heads may request starting rates up to midpoint of the assigned pay grade. A starting rate above

midpoint requires supporting documentation, review by Human Resources, and approval by the division vice president or the President for units reporting to the President.

3.1.2. Promotions and Reclassifications

The new salary rate of an employee who is promoted through the hiring process will be determined in accordance with section 3.1.1 of this procedure.

An employee receiving a promotion outside of the hiring process due to the reclassification of a position must possess the minimum qualifications for the position as described in the position description. A current performance review or other evidence of meritorious performance is required. An employee who is promoted may receive a promotion increase. An employee who has qualifications that significantly exceed the minimum requirements for the position may be approved for a salary rate above the first quartile of the pay grade. With justification based on relevant market data or other compelling factors, department heads may request starting rates up to midpoint of the assigned pay grade. A rate of pay above midpoint requires supporting documentation, review by Human Resources, and approval by the division vice president or the President for units reporting to the President.

See university procedure *31.01.01.C0.03, Reclassification of Non-faculty Positions* for additional information.

3.1.3. Demotions

The new salary rate of an employee who is demoted through the hiring process will be determined in accordance with section 3.1.1 of this procedure.

When an employee is demoted outside of the hiring process, their salary may be decreased by an appropriate amount as determined by the relevant factors and in consultation with Human Resources. A demoted employee's salary may not be below the minimum of the assigned pay grade range of the position. Unless there is sufficient justification and approval by the division vice president, or the President for units reporting to the President, the employee's salary in the new position will not be above the midpoint of the pay grade range. The new pay rate shall be determined by the consideration of the circumstances related to the demotion, the employee's employment record, and the employee's job performance. Demotions require approval by the division vice president or the President for units reporting to the President and must comply with system policies and regulations and university rules and procedures.

3.1.4. Lateral Transfers

The new salary rate of an employee who incurs a lateral transfer through the hiring process will be determined in accordance with section 3.1.1 of this procedure.

When a lateral transfer occurs outside of the hiring process, the salary can be increased, remain the same, or decrease within the pay grade range. An employee who has qualifications that significantly exceed the minimum requirements for the position may be approved for a salary rate above the first quartile of the pay grade. With justification based on relevant market data or other compelling factors, department heads may request a pay rate up to midpoint of the assigned pay grade. A rate of pay above midpoint requires supporting documentation, review by Human Resources, and approval by the division vice president or the President for units reporting to the President.

4. Retroactive Salary Increases

State law prohibits retroactive salary increases. However, when a salary increase is approved and documented by the division vice president, or the President for units reporting to the President, the increase may be effective retroactive to the first day of the pay period in which the final approval was completed.

Related Statutes, Policies, or Requirements

[The Fair Labor Standards Act](#)

System Regulation [31.01.01, Compensation Administration](#)

University Procedure [31.01.01.C0.02, Temporary Salary Increases](#)

University Procedure [31.01.01.C0.03, Reclassification of Non-faculty Positions](#)

University Rule [31.01.08.C1, Merit Pay](#)

This procedure supersedes:

- [31.01.01.C2, Employee Compensation Administration](#)
- [31.01.01.C2.01, Salary Increases Not Awarded Through the Regular Budget Cycle](#)

Appendix

[Position Review Form](#)

Contact Office

Contact for clarification and interpretation: Human Resources
(361) 825-5743