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6-402 Compensation Administration Policies

A. Definitions

1. Job/Classification

Taken as a whole, the collection of tasks, duties and responsibilities constitutes the assignment for one or more individuals whose work is of the same nature and is performed at the same skill/responsibility level.

2. Position

A job opening or a job occupied by an employee.

3. Promotion

The movement of an employee to another position in a higher pay grade as a result of a competitive process.

4. Reclassification

The process of describing, analyzing and evaluating a vacant position that results in a change.

5. Reassignment

Changing an employee from one class to another class (typically to the same or lower salary grade).

6. Demotion (Involuntary)

The movement of an employee to a position with a lower salary grade than the current position due to performance or disciplinary reasons.

7. Career Progression

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A non-competitive advancement of an employee within a department from one level in a job family or career path to a higher salary level based upon an increase in the employee's qualifying knowledge and skills, assigned duties and responsibilities and management's need for the higher level.

Criteria (may include but not be limited to):

- a. The employee's increased assigned duties conform to the higher level of duties and responsibilities (functional job description).
- b. The employee's experience, education and training meet established minimum qualifications of the higher level classification as certified by the universities employment service department.
- c. The employee's most recent performance evaluation reflects above satisfactory job performance overall.
- d. There is a distinct and recognized organizational need for the advancement and specific benefits are identified and documented which the department derives from these changes.
- e. Funding availability within the unit to advance the employee to a higher pay level has been formally authorized.
- f. Twelve (12) or more months have elapsed since the employee's last career progression.
- g. Signatory certification by the appropriate Dean/Director has been obtained.

8. Transfer

The movement of an employee from one department or university to another department or university within the same classification and/or grade.

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B. Hire/Promotion

Classified staff employees within the Arizona Universities Personnel system shall be assigned a rate that does not exceed the midpoint of the designated salary range. The rate should be the minimum of the range for acceptable and qualified individuals. Individuals whose qualifications exceed the minimum may be appointed at a rate above the minimum up to the range midpoint. Hires above the range midpoint are subject to approval of the human resources director or designee(s). Where it is necessary for a university to establish a market differential job rate that is different from the established "job rate", the appropriate salary range shall be adjusted at the minimum, midpoint and maximum for that classification.

C. Reassignment

An employee who is reassigned shall have his/her salary set at a rate of pay within the new pay grade providing it does not result in an increase in pay or does not exceed the maximum of the new assigned pay grade.

D. Demotion

An employee who is demoted shall have his/her salary set at a rate of pay that is within the lower pay grade range.

E. Rehire

A rehired employee whose separation from the university did not exceed twelve (12) months may be credited, at the discretion of each university; with any unused sick hours he/she had accrued prior to termination and may assume his/her previous annual leave accrual rate. Formally approved leaves of absence without pay are not considered as separations for the purpose of this policy.

F. Transfer

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1. An employee who is transferred to a position in the same classification or to another classification in the same pay grade shall be paid the same salary as received prior to transfer or the approved hiring rate for that job classification, if any.
2. A transferred employee is eligible for regular salary adjustments.

G. Assignment to Special Duty

1. Assignment to special duty, when desirable to effect a salary change, shall not be of less than thirty (30) days duration nor shall such an assignment exceed one year.
 - a. An employee who is approved for a special duty assignment to a higher pay grade position than his/her current position shall receive a salary increase to an approved rate which falls within the grade salary range for the classification of the new position, subject to the maximum salary rate allowable under the promotion policy.
 - b. An employee must assume the majority of duties and responsibilities of the special duty assignment in order to be eligible to receive this salary increase.
 - c. If the employee is to assume a lesser portion of the duties, a temporary equity adjustment may be given without acknowledging any classification change.
 - d. An employee who is reassigned to special duty at a lower pay grade position shall retain his/her present salary.
2. When the assignment to special duty has been completed, the employee returns to his/her former position, pay grade and salary rate. The employee should receive any merit increase (not equity adjustments addressed above) for which he/she became eligible and was recommended during the assignment, plus any general salary adjustment that may have been granted to all employees in that classification.

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3. Temporary assignments of less than thirty (30) days may be made without any change of compensation.

H. Voluntary Reassignment

An employee who voluntarily accepts a reassignment to a position having a classification in a lower pay grade shall move to any salary in the lower pay grade salary range or retain present salary.

I. Overtime Compensation

1. Each university shall administer overtime compensation subject to the conditions set forth in this policy and the Federal Fair Labor Standards Act.

2. Exempt Employees

Overtime pay or compensatory time off normally shall not be granted to employees exempt under definitions contained in the Federal Fair Labor Standards Act. There are instances, however, when flexible work hours should be permitted.

3. Rates

Cash payment shall be granted at the rate of one and one-half times the regular rate of compensation for each overtime hour worked. Compensatory time off shall be at the rate of one and one-half hours for each overtime hour worked. The method of payment shall be determined by the university president or designee in accordance with provisions of the Fair Labor Standards Act.

4. Required Overtime

Employees are expected to work overtime when required. Overtime work shall be allocated as evenly as possible among all employees qualified to perform work within each department or

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work unit. Employees are not permitted to work overtime unless authorized in advance by the employee's supervisor.

5. Maximum Accruals

Each university shall adhere to a maximum compensatory time accrual limit of 120 hours for all employees. The vice president responsible for personnel may authorize exemptions to the maximum accrual limit; however, in no event shall it exceed the maximum accrual rate established by the Federal Fair Labor Standards Act.

6. Payment for Compensatory Time

Upon termination from university service or change in eligibility status unused compensatory time shall be paid to non-exempt employees in accordance with the Fair Labor Standards Act. (A.R.S. 23-391)

J. Shift Differential/Standby

Each university may establish differential/standby rates for positions at their institution based on the prevailing labor practices and demonstrated need for employee recruitment and retention.

K. Supplemental Compensation for Exempt Employees

1. Supplemental compensation may be paid to an exempt employee who performs work during hours outside his/her normal work schedule and such work is approved by his/her supervisor, and is performed for a department other than the employee's regularly assigned department or is specifically and distinctly out of job classification work.
2. Supplemental compensation payment for work within the employee's regular job classification performed in a department

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other than the employee's assigned department shall be at the employee's regular rate of pay.

3. Supplemental compensation payment of work specifically and distinctly outside the employee's regularly assigned job classification shall be within the salary range of the job classification which most closely encompasses the supplemental work or at a rate approved by the vice president responsible for personnel or designee.

L. Employee Movement Between Institutions

Each university and the Central Office shall develop procedures allowing for movement between the institutions and the Central Office subject to the following:

If hired, employees shall:

1. Serve a trial service period of six (6) months. If the trial service period is not satisfactorily completed, the employee shall be placed on the prior institution's layoff list or corresponding department of personnel register (if there is one),
2. Retain their former anniversary date,
3. Retain sick leave balances. Vacation leave accrual rates shall remain at the same rate as in effect prior to transfer,
4. Have their salary set in accordance with appropriate compensation policy, and
5. Retain all other rights, privileges and benefits of the Arizona University System classified service.

M. Trainee Assignments

Each university and the Central Office shall establish procedures to deal with trainees subject to the following:

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1. Trainees will be hired at a pay rate below the minimum of the rate of pay for the position for which training is being conducted (but not less than the established Federal Minimum Wage),
2. Trainee positions will not last longer than one calendar year,
3. Trainees will be evaluated no less than once per quarter during their training period and, if their performance is satisfactory, they will be advanced in pay a predetermined rate until they reach the minimum of the pay grade upon completion of their training period, and
4. All trainee appointments will be made in writing and will outline the position for which they are training, the beginning rate of pay, the evaluation periods, the criteria for periodic increases in compensation for satisfactory performance and a statement that the employee understands the applicable probationary policy.

N. Furloughs

Regardless of the terms of employment outlined in ABOR and university policies, a member of the classified staff may be placed on furlough under a furlough plan approved pursuant to Board policy 6-810.