

UAB Academic/Administrative Compensation Guidelines
FY16
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As we continue to assess how to best invest limited institutional resources, it is imperative that we implement and promote faculty and staff compensation practices that effectively support our most important asset, our people. To assist our academic and administrative units with these decisions, the following Compensation Guidelines are provided for the FY16 budget year.

*Due to the lack of incremental funding for UAB again in FY16, there will be no university wide merit pool program this year. However, merit pools not to exceed 3% will be allowed for the college/school/departments that are able to fund a merit increase. For those unable to fund merit increases, the exceptional performance program (EPP) remains in place as a way to recognize those faculty and staff who have exhibited extraordinary performance during past year. We are providing the option of a one-time lump sum payment to those Schools/units that have identified resources and put forth a distribution plan *that focuses on recognizing only unique performance excellence and meets other guidelines set below.* All payout plans associated with this program will require prior approval from the Provost or Vice President for Financial Affairs and Administration.*

For October 1, 2015

- Faculty Promotion/Tenure
 - Faculty promotions may be funded if endorsed by appropriate College/School/Library Dean.
 - All faculty promotions will be effective 10/1/2015.
- Pay Ranges
 - UAB General Pay Range Structure will not be adjusted for FY16.
 - Faculty Ranges will not change for FY16.
- Salary Distribution Planning
 - No later than 7/15/2015, each college/school/department must declare to the Provost or the VPFAA intent to either:
 - Provide a merit pool and the estimated amount (FIPs are included), or
 - Provide limited EPP adjustments
 - Note: Employees are not allowed to receive both a merit increase and an EPP payment.
- Merit Increases – For those school/college/units that elected to give merit-increases
 - Each College/School/Unit must submit a merit-based, salary increase “Plan” for review and approval to the Provost/VPFAA no later than 8/1/2015. Plans should include total salary pool dollars to be made available (with % of total salary base this represents), planned ranges for individual increases (e.g. 1-5%), and planned distribution strategy (e.g. 20% of merit recipients to receive 5%, 40% to receive 2-4%, etc.). All Plans should identify funding sources utilized.
 - Note: Faculty promotions and market/equity adjustments will be considered outside of the merit pool.
 - All Plans must require that individual, merit-based salary increases align with level of performance reflected in annual evaluations.
 - Any market equity components of plan need to be identified.
 - Employees must have completed their six month probationary period in order to be eligible for a merit increase.
 - Individual salary increases of more than 15% under Plan will require prior Provost/Vice President for Finance and Administration (VPFAA) approval.
- Exceptional Performance Payment (EPP) Program - For those school/college/units that elected this option

- The Exceptional Performance Payment program is designed to recognize faculty and staff for exceptional performance with a lump sum payment.
- EPPs may not be used as across-the-board lump sum payments.
- EPPs must be funded at department level and approved by the Provost or the Vice President for Finance and Administration (VPFAA).
- Eligible faculty and staff must meet the following criteria:
 - Most recent performance review (within last 12 months) must reflect higher than satisfactory performance and must be documented and on file.
 - Employee is not in probationary period.
 - For those faculty and staff paid from sponsored projects, EPP payments must be spread out and paid in equal installments over 6-12 months. Further instruction will be provided regarding how to process these payments.
- Plans for EPPs must be submitted via Compensation Request Form (CRF) for Human Resources (HR) review prior to Provost/VPFAA approval. Submissions are due 8/1/2015 with an effective date of 10/1/15.
- Market, Internal Equity, and other Adjustments
 - Due to increasing external pressures to increase the starting salary levels of many jobs, some local organizations are moving to \$10 and \$11 per hour as their minimum wage, all school/college/departments are asked to provide special focus on any employees whose base rate is lower than \$9.00 per hour. Efforts should be made to make market adjustments to all employees below \$9.00 per hour.
 - All College/Schools/Units may fund market adjustments and/or internal equity adjustments where appropriate and when current satisfactory performance review is on file.
 - Plans for market and internal equity adjustments must be submitted via Compensation Request Form (CRF) for Human Resources (HR) review prior to Provost/Vice President for Finance and Administration (VPFAA) approval. Submissions are due 8/1/2015 with effective date of 10/1/15.
 - Market adjustments address pay differences as compared to markets external to UAB. Since range midpoints generally reflect market averages, salaries considered below market are only those between pay range minimum and pay range midpoint.
 - Equity adjustments address pay differences as compared with others internal to UAB. Requests for equity adjustments should consider all like employees in a School/Unit (i.e. similar titles, grades, etc.).
 - Base salary increases for employees who are above range maximums will not be considered.
 - Base salary increases for employees who are between pay range midpoints and maximums will be considered in limited cases where there are recruitment and/or retention issues and employees have extensive related experience.
 - Across-the-board base salary or one-time increases for all College/School/Unit employees will not be considered.

For October 1, 2015 and Beyond

- Incentive Plans
 - Previously-established compensation incentive plans must be submitted via CRF for recertification as required by existing UAB incentive program guidelines by 9/1/2015.
 - New incentive plan proposals must be submitted via CRF by 9/1/2015 to be considered for implementation in FY16.
 - Please refer to UAB incentive plan guidelines for further information or contact your HR Consultant or HR Compensation.
- Lateral Transfers

- Salary adjustments for lateral transfers greater than 10% should be submitted/reviewed by HR with support/approval by the applicable College/School/Department VP, Dean, or Library Director. HR will review and submit to the appropriate UAB senior administrator (Provost/VPFAA) for final approval.
- New Hires
 - New hires may proceed in accordance with established UAB and departmental policies provided funding is available. New Hires do not require HR approval if within a pay range. Internal equity must be considered when determining new hire pay rates.
- New Positions/Position Reclassifications
 - New positions/reclassifications may be requested under established HR procedures via CRF. These will be reviewed by HR Compensation to determine appropriate job title and pay grade for position. These requests require approval from applicable College/School/Department, VP, Dean or Library Dean. Please note: once a position has been reviewed for reclassification, it is not eligible for review again for a minimum of 12 months.
- Retention Salary Adjustments
 - Retention salary adjustments will be reviewed on a case-by-case basis. Review and approval is required from College/School/Department, VP, or Dean.
- Salary Adjustments
 - Salary Adjustments for probationary, job rate and established step rate programs (including graduate assistantships/stipend increases, resident progression and student salary adjustments) may proceed in accordance with established UAB and departmental policies provided funding is available. These adjustments must be funded by College/School/Department and approved by appropriate VP or Dean.
- Supplemental Duties – Additional Pay
 - Requests for additional compensation for supplemental duties must be approved by College/School/Unit VP, Dean, or Library Dean prior to submission via CRF for HR review. Please note: additional/supplemental duties should be temporary in nature (less than six months).

Following is a summary of review and approval process for FY16 compensation actions:

VP/Dean/Library Dean Approval only. Requires no review by HR:

- a. Graduate assistantship with annual stipend increase
- b. Lateral transfer with increase of 10% or less
- c. New hire with proposed salary within pay grade
- d. Merit increases
- e. Probationary increase of 10% or less
- f. Resident progression increase
- g. Salary share adjustment between two or more funding sources where the total salary does not change (e.g. HSF/UAB/VA/UABHS)
- h. Staff promotion of 15% or less or to range minimum
- i. Student salary adjustment

VP/Dean/Library Dean Approval after initial review/approval by HR:

- a. Probationary increase greater than 10%
- b. Reclassifications
- c. Requests for new positions
- d. Staff promotions greater than 15%, if higher than range minimum
- e. Supplemental duties additional pay
- f. Retention salary adjustments less than 10%

UAB senior administrator (Provost/VPFAA) approval after full HR review/approval and endorsement by appropriate VP/Dean/Director:

- a. Faculty tenure/promotions
- b. FIPs
- c. Incentive Plans – new or previously approved
- d. Equity/Market Adjustment/Exceptional Performance Payment Plan (with justification)
- e. Exceptional Performance Payment (EPP) Program payments
- f. Lateral transfers with increases greater than 10%
- g. Merit-based salary increase Plan
 - a. Must include any market equity component
 - b. Must include justification for any merit greater than 15%
- h. Retention salary adjustments greater than 10%

Any questions or concerns regarding these guidelines should be directed to your HR Consultant or HR Compensation.