

Pay Policy

Source: NDUS Human Resources Policy 5

- 1. All staff positions are assigned market rates by the Office of Human Resources. Market rates represent the average or median salary paid for like positions. Market rates are a guideline for salary levels.
 - a) Hiring Rate Employees are hired with consideration of the market rate for the position. Additional consideration may be given to substantial, directly related experience and equity, which may include factors such as job performance and level of responsibility.
 - b) Probationary Adjustments Upon successful completion of the initial probation period, an employee may be eligible for a salary adjustment up to five percent. The amount of the adjustment may vary depending on such factors as performance, equity, and budget appropriations. An employee evaluation form must be completed before the probationary adjustment is approved.
 - c) Other Salary Adjustments Staff salary adjustments are not automatic and may increase, decrease, or stay the same, with a change in job responsibility. Adjustments in salary will be made with appropriate administrative approval and consultation with the Human Resource Office. Rationale for these adjustments will include changes in level of responsibility as documented by a Position Description; and changes in band and/or job family. If the adjustment results in a lower pay rate, the employee may appeal the decision (see NDUS Policy 27 Appeal Procedures).
 - i. Temporary Adjustments An adjustment may be given with proper administrative approval to an employee serving in an interim position. Adjustments should not be given for interim periods of less than thirty days. Employees may not retain the higher compensation level for more than 30 days after the interim period ceases to exist.
 - ii. Merit Adjustment A merit adjustment is made solely in recognition of work performance which exceeds performance standards documented through an established review process.
 - iii. General Adjustment General adjustments are based on the decisions and directions of the Legislature or the State Board of Higher Education. General adjustments may also be

determined for an institution at the discretion of the president.

- iv. One-time payment One-time payments may include but are not limited to hiring or retention bonuses, performance awards, or cost-of-living adjustments.
- v. Promotion Adjustment A promotion adjustment may be made when an employee is moved to a position with additional authority.
- d) Equity Adjustments An equity adjustment is intended to mitigate a documented internal salary inequity. Factors generally considered are the institution's market rate for the position in question, directly related experience, education, job performance, and level of responsibility.
- e) Market Adjustments A market adjustment is intended to mitigate a documented external inequity using North Dakota University System recognized market data. Market adjustment proposals must consider institutional equity.
- 2. Pay day shall be the last day of the month for the period from the first day of the month to the fifteenth day of the month and the fifteenth day of the following month for the period from the sixteenth day of the month to the end of the month; however, if a pay day is a Saturday, Sunday, or holiday, the preceding work day shall be pay day. Employee wages shall be paid with direct deposit in the financial institution of the employee's choice subject only to individual exceptions in exceptional circumstances as approved by HR/Payroll procedures.
- 3. The University does not grant automatic salary increases. Salary changes are based on legislative action, Board of Higher Education direction, and individual campus salary administration policy.
- 4. Compensation in Lieu of Pay Compensation in the form of meals, living quarters, etc., or an allowance in lieu thereof shall be considered pay for salary comparison purposes. Reimbursement for traveling expenses including mileage, meals, and lodging expenses that result from assigned duties away from the normal conduct of business shall not be considered as pay for salary comparison purposes.
- 5. Employee Suggestion Incentive Program All employees except presidents, vice presidents, deans, department chairs, and department heads are eligible to participate in the Suggestion Incentive Program.
 - a. An employee may submit a recommendation or proposal to reduce expenditures within the university or the employee's work area with the appropriate campus official. All recommendations or proposals presented by an eligible employee will be forwarded to the State Suggestion Incentive Committee. The State Suggestion Incentive Committee shall review all recommendations or proposals and forward its recommendation to the institutional president.

The president shall make the final decision on acceptance or rejection of a recommendation or proposal.

b. A university employee whose recommendation or proposal to reduce expenditures is approved by the State Suggestion Incentive Committee and the institutional president, is entitled to receive twenty percent of any savings realized, to a maximum of four thousand dollars. The institutional savings must relate directly to the employee's proposed change. The suggestion incentive must be computed on the actual savings for a twelve-month period beginning from the time that the proposed change is instituted. The employee is entitled to the suggestion incentive payment at the end of the twelve-month period in a lump sum payment which is in addition to the employee's regular salary. Employees who qualify for the suggestion incentive are entitled to an award for the first year's savings only and not for any subsequent years.

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