# Florida A & M University Office of Human Resources

# HR OPERATING POLICY-PROCEDURE

Procedure No. \_\_\_\_\_HR-2000\_\_\_\_\_

Subject: Classification and Compensation		
216.1815 F.S., 1001.74	thority: 110.105, F.S.; 110.1245, F.S.; (4), FS. BOG Reg 1.001 (5)(a).; FAMU nt1.021; FAMU Reg 10.101 ; FAMU	Effective Date:
<b>Related References</b>		
Purpose	The University Office of Human Resources shall be responsible for administering the Administrative and Professional (A&P), Executive A&P and University Support Personnel System (USPS) compensation and classification structures. The University's Provost Office shall be responsible for administering the Faculty compensation and classification structures.	

# I. Authority

Specific Authority: 110.105, F.S.; 110.1245, F.S.; 216.1815 F.S., 1001.74 (4), FS. BOG Reg 1.001 (5) (a); FAMU Reg: 10.102; FAMU Authority of the President1.021; FAMU Reg 10.101

# II. Definitions

- **A.** A&P Pay Plan: Administrative and Professional (A&P) and A&P Executive (EX) pay plan employees are considered contractual. Terms and conditions are recognized by contract for a specific period of time or contracts renewed on an annual basis. Certain benefits, amount of leave, and notification of termination are exclusive to the pay plan.
- B. Actual Salary Range: Current existing salary range of lowest to highest paid employees within the classification.
- **C.** Appointment: For purposes of employment a candidate is given status in the University Human Resource and Financial systems as an active employee.
- **D.** Assignment of Responsibility(AOR): A document that describes the duties and responsibilities normally assigned to each full time and part-time instructional faculty member
- E. Base Rate-of-Pay An employee's salary excluding any pay additives or benefits.
- F. Competitive Appointment: An internal(existing employee) or external(applicant outside the university) candidate has competitively applied for an been selected for an advertised open position
- G. Competitive Labor Market: Competitive wages are determined by prevailing market wages, rate and supply and demand.
- **H.** Faculty Pay Plan: Contractual pay plan typically for teaching faculty and those classifications closely associated with the academic enterprise. Terms and conditions are recognized by the contract for a specific period of time and tenure requirements and/or collective bargaining agreements if required. Certain benefits, amount of leave, and notification of termination are exclusive to the pay plan.
- I. Pay Levels: Facilitates the employment process by providing a framework of salary ranges as opposed to a free negotiation for designated groups of FAMU USPS and A&P, A&P EX, classifications with similar levels of responsibility, expertise, and independence of action, complexity of work, supervision, organizational impact, organizational representation, and fiscal accountability.

- **J. FLSA Non-Exempt:** Status assigned to an employee who occupies a position that is covered by the Fair Labor Standards Act (FLSA), and is restricted to 40 hours of work per week after which overtime is earned.
- K. FLSA Exempt Status assigned to an employee whose duties and functions are primarily executive, professional or administrative in nature and are not restricted to 40 hours of work per week under the Fair Labor Standards Act.
- L. Hourly Rate of Pay Biweekly base rate of pay divided by 80 work hours for full-time employees.
- **M.** Internal Equity: Comparison of positions within classifications to ensure fair pay compliance with the Federal Equal Pay Act and state laws.
- **N.** Job Classification: A group of positions which are sufficiently similar as to kind and subject matter of work, level of difficulty or responsibilities and qualification requirements of the work to warrant the same treatment as to title, pay range, and other personnel characteristics.
- **O.** Job Classification Specifications: Specifications of a classification maintained by Human Resources with information on its FAMU job code, official title, description and other relevant information.
- **P.** Job Family: Groups of job classifications involving similar types of work or work context. The job family can be tiered as a series of progressively higher, related jobs distinguished by levels of knowledge, skills, and abilities (competencies), expertise and other factors,
- **Q.** Job Structure: A hierarchy within an organization that identifies each job, its value to the organization, its function and where it reports to within the organization.
- **R.** Job Analysis: Process of gathering and analyzing information about the content and the human requirements of jobs, as well as, the context in which jobs are performed. This process is used to determine placement of jobs.
- S. Job Classification Valuation: Process of determining the general monetary value of a job classification.
- **T.** Market Equity: Providing a competitive hiring rate or replacement costs for a position to be at least a "matching employer" in an external competitive labor market.
- U. Non Competitive Appointment: An internal (existing employee) candidate has been selected and appointed in a position not advertised.
- V. Pay Rate: Amount of pay within salary range.
- W. Pay Actions: Any action establishing or adjusting pay to FAMU employees.
- **X.** Pay Additives: Additional determined differential pay for shift work.
- **Y.** Position: Duties and responsibilities assigned to a position/legislative budget number to be performed by an employee and for which they are compensated.
- **Z.** Position Description: A document that describes the duties and responsibilities normally assigned the position; its determined job classification; reporting structure; the job-related knowledge, skills, abilities and other specific requirements for the position.
- **AA. Rate**: Rate is the commitment of salary resources, is always associated with an authorized position, and based on annual gross salary. The total cost of a position includes salary dollars plus employer matching fringe benefit amounts for social security, Medicare, EX disability, health insurance, life insurance, and retirement contributions.
- **BB.** Recommended Hiring Range: An estimated competitive hiring range at base rate of pay for a position based on classification, budget criteria, market comparisons and organizational need.
- **CC. Regular rate of pay** An employee's base rate of pay plus any pay additives, which may be necessary to meet the requirements of the Fair Labor Standards Act.
- **DD. USPS Pay Plan**: University Support Personnel Services (USPS) are career service jobs where terms and conditions are generally recognized through collective bargaining agreements and/or state statute. Certain benefits, amount of leave, and notification of termination are exclusive to the pay plan.

#### III. Pay Structure

Pursuant to Florida Statute: 110.105, FAMU's pay structure contains a complete list of job classification titles, codes, and pay levels; a formal description of the methods, procedures, and salary schedules for competitively compensating employees at market-based rates within budget constraints for work performed; and a formal description of the concepts, rules, job family definitions, occupational group characteristics, and occupational profiles used in the classification of positions.

A. Each job classification is assigned to a pay level. Pay level salary ranges are calibrated by the job classification category and general level of responsibility (e.g., core operational and support staff; specialized & technical operational and support staff, and trades workers, specialized professional; administrative exempt, professional, managerial; executive etc.). Individual job

classifications within the pay level have recommended hiring salary range spreads and their position within the pay level may be determined by virtue of market value, internal value, or budget requirements. Each pay level has a minimum and maximum salary except executive level positions which may have no maximum requirement other than Florida statute directives.

- B. Positions that have incumbents with salaries above the maximum of the assigned pay level are generally referred to as "red circle" positions. Salary increases for "red circle" employees should be made as lump sum payments unless the increase is an across-the-board legislative appropriated increase or if recurring, by approval of the President or President's designee.
- C. Positions that have incumbents with salaries below the minimum of the assigned pay level are referred to as "blue circle" positions. Departments with "blue circle" employees shall address the incumbent's salary pending availability of funds. No employee shall be appointed at less than the minimum of the pay level.
- D. The University will abide by all prevailing labor laws including minimum salary requirements of prevailing state and federal minimum wage guidelines, child labor laws, and FLSA status for exempt and non-exempt employees.

#### IV. Value of positions and individuals in positions

The job valuation within the classification system is the responsibility of the University Office of Human Resources as delegated by the President, through the Vice President of Finance and Administration/CFO. The University exercises control and discretion over its organizations and operations including the monetary value of classification and positions and individuals in positions.

- A. The pay rates, salary ranges and value of positions, job classification and pay levels are set at the discretion of the University based on budget parameters, labor market competitiveness for similar jobs, internal value to the University, and maintaining internal equity in compliance with federal and state laws.
- B. The base salaries or changes in salary of individuals within a position, classification or pay level salary ranges are determined solely by management pending approval by the President and or Presidents designee and University budget. Value of an individual employee's salary is based on but limited to: a negotiated salary at time of hire within the recommended FAMU hiring range, level of unique expertise needed for position requirements, sustained performance or merit, increased responsibility, internal equity and counter proposals for external competitive offers. Longevity in a position or perceived market equity **does not warrant** sole consideration.

# V. Pay Actions

Pay actions shall be administered consistent with the provisions within FAMU policies and regulation.

- A. The implementation of policies and procedures pertaining to payment of salaries is contingent upon funds being available regardless of funding source. Authorization may not be given for salary or wages to exceed the budgeted rate for any position regardless of the classification and/or pay range without the prior approval of the President or the President's designee.
- B. Annual pay adjustments for employees, if any, shall be in accordance with guidelines recommended by the President or legislation appropriated language.
- C. Base rate of pay is the pay provided employees not including any additives. Regular rate of pay is an employee's base rate of pay plus any other pay which may be necessary to meet the requirements of the FLSA. Hourly pay, for a non-exempt position, is computed based on 2088 work hours annually. An exempt employee's period rate is determined based on an annual factor of 26.1 for biweekly pay.
- D. An employee must be in pay status in order to receive a pay increase of any kind.
- E. Employees paid from contracts and grants, auxiliaries or local funds shall be eligible for pay increases provided such increases are permitted and funded by the funding entity.
- F. The removal of pay additives, correction of overpayment or reduction to the minimum or maximum of the pay level does not constitute a reduction in pay action.

- G. An employee assigned to an interim/acting appointment (temporary change in assignment), in instances in which responsibilities have changed, may be provided a pay increase. Upon the employee's return to his or her original responsibilities, the pay may be adjusted to the employee's responsibilities.
- H. An employee who is demoted (See Recruitment, Selection and Employment Policy) shall receive pay commensurate with the responsibilities assigned.
- I. When the assignment of Faculty serving in an administrative position such as Vice President, Provost, Assistant and Associate VPs, Dean, Assistant and Associate Dean, Director, or Department Chair is changed, the pay and appointment period shall be adjusted to reflect the new responsibilities. Pay adjustments shall be completed in accordance with the Board of Trustees Policy No. 2005-15 (Separation and Return of Senior Administrative and Academic Officers to Faculty), as now or hereafter amended.
- J. When a reassignment of A&P EX or A&P serving in an administrative position such as Vice President is changed, the pay, benefits and appointment period shall be adjusted to reflect the new position and responsibilities.
- K. When an USPS employee is called back to work beyond the employee's scheduled hours of work for that day, compensation shall be in accordance with the prior approval as determined by the employee's supervisor.
- L. Additional compensation or outside employment by any employee shall be consistent with or in compliance with such policies or regulations as adopted by the Board of Trustees.
- M. The University shall be responsible for arranging the work schedule to minimize overtime and shall establish procedures for overtime pay consistent with the FLSA.

#### VI. Special Pay

Under (but not limited to) the following conditions, pursuant to Board of Governors (BOG) regulation 1.001(5) (a), and with approval of the President or President's designee, special pay increase may be considered for:

- A. Increased Responsibilities A limited increase to recurring salary commensurate with level of responsibility. A current position description is required with evidenced or demonstrated increase in overall level of responsibilities within classification. Level of responsibility that is significantly over classification parameters may require reclassification. Additional or new tasks within the classification level of responsibility do not qualify.
- B. Exceptional qualifications A limited increase to recurring salary (e.g., one (1) to two (2) percent of existing salary). Written documentation to support that, the quality and level of an employee's expertise coupled with longevity at and contribution to the University would make it difficult to replace the employee.

### C. Market Conditions Including:

- 1. Job Counter Offer Written documentation of a job offer from outside the FAMU organization.
- Retention of Employee Written documentation to support the specialized or extensive investment in or training of an employee; the critical skill to the institution that is unavailable in the labor market; or the position is strategically important and FAMU must be a leading employer to be competitive.
- 3. Salary Compression/Inversion Salary Compression/Inversion Written documentation of recruitment problems, documentation of inequitable differential in salaries, and/or an explanation of the reason new employees must be hired above existing "proficient employees" salaries in the same classification and organizational unit.
- D. Sustained Outstanding Performance A limited increase to recurring salary (e.g., one (1) to two (2) percent of existing salary). Written documentation evidencing the employee's sustained outstanding performance over a two (2) year period is required.
- E. **Internal Salary Inequity** Increases to ensure fair pay compliance with the Federal Equal Pay Act and state laws (written documentation citing the circumstances contributing to the inequity and the effect on the employee's salary).

- F. **Bonus** One time lump sum payment which shall not exceed the greater of ten (10) percent or \$3,000 of the employee's annual base rate of pay (before taxes) for USPS employees; and, fifteen (15) percent of the annual base rate of pay for A&P, A&P EX employees.
- G. **Performance Bonus** One time lump sum granted to recognize the significant increase in productivity or productivity goal achievement including a group incentive program pursuant to state guidelines and restrictions. Unless a state performance initiative, the lump sum payment which shall not exceed the greater of ten (10) percent or \$3,000 of the employee's annual base rate of pay (before taxes) for USPS employees; and, fifteen (15) percent of the annual base rate of pay for A&P, A&P EX employees.
- H. **Special Project/Assignment** Lump sum granted to recognize the successful completion of a special project or assignment, which is in addition to the employee's regularly, assigned duties. Statements of Performance Standards: List and rate each performance standard that was established to support completion or achievement of a special project or assignment.
- I. **Hiring Incentive -** The President or President's designee may offer a new, highly qualified employee a hiring incentive within the constraints of BOG regulation 1.001(5)(a), and FAMU Reg. 1.021.
  - a. Prior to offering a prospective employee a hiring incentive, an authorized funding source must be identified and approvals must be received from the President or President's designee and the University Office of Human Resources. No legislative education and grant (E&G) funds may be used.
  - b. The new employee must be hired into a position deemed as critical to the mission and operation of the University. The hiring incentive will not be applied to all positions assigned to a specific classification, and will be evaluated on a case-by-case basis.
  - c. The offer of a hiring incentive may be up to 10 percent of the original annual salary offered. The size of the incentive will be determined by the significance and criticality of the position.
  - d. The hiring incentive will be paid as a lump sum and must be paid with appropriate and authorized funds after the start date of the contract or appointment.
  - e. Employees receiving the lump sum payments must agree to work for the university for at least one continuous year. If the employee voluntarily terminates employment with the department before six (6) months, the employee must return the full amount of incentive bonus to the University prior to the termination date. Voluntary termination after six (6) months and prior to one (1) year of employment will require a prorated amount to be returned to the University.
  - f. A formal written agreement which includes key objectives for the employee, requirements for above satisfactory performance, dates of employment, and pay back terms if the agreement is not met; must be executed with each employee. Individual agreements will be reviewed and approved by the Chief Human Resources Officer.

# VII. Compensation of Faculty Employees

A. Compensation upon Regular Appointment

Compensation upon a regular appointment of a Faculty employee should be based on negotiation (Provost or Dean, as appropriate) between the University and prospective Faculty employee at the time that an offer of employment is extended, and shall reflect the following factors including, but not limited to

- 1. Degree level;
- 2. Experience and background;
- 3. Programmatic concentration(s); and,
- 4. Best interests of the University and the State.
- B. Compensation upon Promotion

For salary increases in connection with the promotion of in-unit Faculty employees, refer to the applicable collective bargaining agreement.

C. Compensation upon Change-in-Assignment

Faculty with administrative responsibilities serve at the will of the President or President's designee and may at any time, receive a change in classification or assignment. Employees with tenure should not have such status affected by the change in classification or assignment.

#### VIII. Compensation of Administrative and Professional Employees

- A. Compensation upon Regular Appointments
  - 1. Compensation upon a regular appointment of an A&P employee, including Executive Service should be made within the pay range of the classification and should not be not under the minimum or over maximum of the pay level in which the classification (see Sections III and IV).
  - 2. Regular appointments for A&P employees above the maximum of the classification pay range will require the approval of the President. Such compensation rates should be approved only when it is in the best interest of the University or department. The criteria utilized for such appointments shall be the exceptional qualifications of the individual or external market comparisons.
  - 3. No A&P employee who is employed in an exempt position is guaranteed a full week's salary for any workweek in which the employee performs no work.
  - 4. Upon the appointment of a USPS employee to an A&P position, the employee's salary should be determined in accordance with Section V, B.
- B. Compensation upon Promotion
  - 1. An A&P employee who is promoted or competitively hired into a higher level classification may receive a salary increase commensurate with the new classification pay range. If a salary increase is given, it may be up to the midpoint of the new classification salary range depending upon the employee's qualifications and experience. All salary increases must be approved by the President or President's designee.
  - 2. Exceptions above the mid-point of the new classification pay range should be approved by the President or President's designee unless the new salary exceeds the maximum of the classification pay range. In these cases the approval of the President is required. Such exceptions may be made only if the individual's credentials substantially exceed the minimum and preferred qualifications established for the position and it is in the best interest of the University or department.
- C. Compensation upon Change-in-Assignment
  - 1. An A&P employee may be given a temporary change-in-assignment to a position of greater responsibilities on an acting or interim basis. The employee's salary may be increased for the duration of the temporary change-in-assignment. Upon a change in assignment to original responsibilities, the salary should be returned to the level the employee would have received had there not been a temporary change in job status. Any sustained salary increase after the acting or interim status must be approved by the President.
  - 2. An A&P employee may be given a temporary change-in-assignment to a position of lesser responsibilities on an acting basis. The employee's salary may stay the same for the duration of the temporary change-in-assignment.
- D. Compensation upon Provisional Appointment

By limited exception, provisional appointments may be made for an otherwise qualified candidate to establish needed minimum qualifications of the classification (e.g., to finish a required degree or gain a minimal amount of required

experience). Such appointments are for a minimum period of time, no more than six months. In provisional appointments employees may be paid as little as 10% below the lowest paid employee in the classification pay range until qualifications are met. If the A&P employee fails to meet the minimum qualifications during the provisional appointment, the employee would no longer be considered qualified for the position. The A&P employee's salary should be increased to at least the minimum of the pay range upon attaining the minimum qualifications for the class.

### E. Compensation upon Demotion

An A&P employee who is demoted should receive no more than a salary commensurate with new classification's or position's pay range assigned. Any exceptions to this provision must be approved by the President or President's designee.

# F. Other Compensation

An A&P employee may be granted an additional salary increase at times other than the time of the system-wide annual increase when it is in the best interest of the University. (See Section VI, Special Pay)

# IX. Compensation of University Support Personnel System Employees (USPS)

- A. Compensation upon Regular Appointment (Competitive) or Promotion (Non-Competitive)
  - 1. An external applicant or internal hire (USPS employee) that is given an original appointment or promotion (competitive or non-competitive) in accordance with appointment procedures should receive a salary commensurate with the classification pay range to which appointed. The salary is based on a negotiated salary at time of hire within the recommended hiring range, level of unique expertise needed for position requirements, sustained performance or merit, increased responsibility, internal equity and counter proposals for external competitive offers. Longevity in a position or candidate's market equity perception does not warrant sole consideration.
  - 2. An external applicant or internal hire (USPS employee) whose training and demonstrated experience match only the minimum qualifications of the classification should be eligible for no more than the current (actual) 25th percentile of the classification salary range of the class to which appointed.
  - 3. The President or President's designee may grant a salary above the 25<sup>th</sup> percentile of the classification range to which the employee/candidate is hired or promoted. Such increase shall not exceed the current median of the classification pay range in which the employee is promoted.
  - 4. In cases where base rate of pay increase or negotiated salary is above the current median (50<sup>th</sup> percentile) of the USPS classification in which an individual is promoted or hired, a written justification is required. The President or President's designee is authorized to grant a starting salary higher than the current median if any of the following conditions exist:
    - 1) The individual's qualifications substantially exceed the minimum qualifications established for the classification, has documented substantial expertise directly related to the position and will significantly enhance performance or productivity in exercising the duties and responsibilities assigned the position.
    - 2) A qualified internal candidate's (USPS employee) with qualifications that substantially exceed the minimum qualifications and whose base-rate-of pay is already above the median of the classification pay range to which the individual is appointed.

# B. <u>Compensation upon Granting of Emergency Status</u>

- 1. An employee who is given an appointment with emergency status may be paid at any rate within their FAMU pay level.
- C. Compensation upon Change-in-Assignment

- 1. An employee who is given a change-in-assignment appointment within their current classification should not receive an increase in their base rate of pay as a result of a change-in-assignment, unless there are: increased responsibilities as determined by the position description or pay additives associated with the job.
- D. Compensation upon Demotion

An employee who is given a demotion and who has attained permanent status in any USPS classification may be demoted with or without a reduction in base rate of pay, at the discretion of the President or President's designee, subject to the following provisions:

- 1. The employee's base rate of pay should not exceed the maximum of the pay range for the classification to which the employee is demoted.
- 2. When the base rate of pay is not reduced and the employee is promoted within six (6) months after the date of demotion, the employee should not be eligible for a promotional increase unless the base rate of pay at the time of promotion is below the 25<sup>th</sup> percentile of the salary range for classification to which the employee is promoted.
- 3. An employee who is given a regular appointment in the USPS and is demoted prior to attaining permanent status in any class should have his/her base rate of pay in the lower class determined in the same manner as a regular appointment.
- 4. A USPS employee who is given a demotion should not be granted an increase in base rate of pay as a result of being demoted to lower level classification. However, if by exception the position's value and salary range by virtue of external markets (and not level of responsibility is higher) than the employee's previous classification, the pay should be no more than the 25<sup>th</sup> percentile of the new classification's pay range.
- E. Compensation upon Temporary Appointment

A USPS employee may be temporarily assigned to perform in a vacant position at a higher-level of responsibility or one whose incumbent has been temporarily assigned other duties or is on a leave of absence with or without pay. The following provisions shall apply:

- 1. The employee is not being placed in the higher-level position.
- 2. The employee must be assigned a major portion of duties of the higher level position.
- 3. The employee may receive a pay increase. The pay increase is temporary and shall be treated as a pay additive; therefore, it must be removed from the employee's rate of pay at the end of the temporary appointment.
- 4. The temporary appointment to a higher level of responsibility should follow the collective bargaining agreement if applicable(for example CBA 2010- 13 AFSCME/FAMU article 11.3), for a temporary consecutive period of time not less than 22 working days within a consecutive six (6) months or otherwise stated in a CBA.
- F. Return from Leave of Absence without Pay

A USPS employee who returns from an authorized leave without pay should be paid at the same base rate-of-pay being paid at the time leave was granted. The employee; however, should be granted any adjustments made in the salary range for the classification to which the employee is assigned or any mandatory salary adjustments or increases granted during such absences, unless the applicable pay implementation instructions provided otherwise. If applicable, discretionary increases may also be provided upon the employee's return. In determining the amount of adjustment which the employee should be granted, the same implementation instructions which applied to all employees in that classification should be followed.

G. Reduction in Pay

A reduction in pay is defined as an employment action taken by the University to reduce an employee's base rate of pay. **The following does not constitute reductions** in pay:

- 1. Removal of lead-worker pay, on-call fee, shift differential pay, and other temporary or special pay additives in accordance with this memorandum or University Rules.
- 2. Other pay actions which are taken to correct and recover overpayments resulting from administrative errors or application of the Florida Statutes, legislative appropriations, or Florida Board of Governor Rules.
- 3. Reduction in pay for demotion (See: Sections E. 1, 2 and 3)
- H. Pay for Less than Full-Time Employment in a Pay Period
  - 1. For all new employees in the USPS pay plan, the number of hours credited in the first pay period should be the number of hours on duty, plus any leave with pay and any holidays falling after the employee's first day of work.
  - 2. For part-time employees, the number of hours credited should be the number of hours on duty, plus any leave with pay and a prorated number of hours for any holidays falling during the pay period after the first day of work.
  - 3. For employees separating from the USPS pay plan, the number of hours credited for pay should be the number of hours on duty plus any leave with pay and any holidays falling prior to the employee's last day on the payroll.
- I. Salary Increase for USPS Employees

A USPS employee will be eligible to receive increases in pay as follows:

- 1. A USPS employee filling a position for which a pay additive has been approved shall receive the amount of the pay additive as specified in the approval. If the conditions upon which the pay additive is granted change, those conditions should be reevaluated to determine if the pay additive is still appropriate.
- 2. A USPS employee may be granted a pay increase under Section VI Special Pay.
- J. Computation of Hourly Rate of Pay
  - 1. Pay should be computed on the basis of 2088 (26.1 x 80 hrs) work hours annually.
  - 2. In order to calculate the hourly **base** rate of pay, the following formula should be used:

Annual Base Rate of Pay

\_\_\_\_\_ = Hourly Base Rate of Pay

2088 hours

3. In order to calculate hourly **regular** base rate of pay, the following formula shall be used:

Biweekly Regular Base Rate of Pay

= Hourly Regular Base Rate of Pay

- 80
- 4. If a USPS employee is paid at different rates of pay during a pay period, the USPS employee's hourly pay at each rate should first be determined as stated above. Next, the number of hours worked at each hourly rate should be multiplied by that hourly rate and the two amounts should be added to obtain the total amount to be paid during that pay period. To determine the weighted average hourly rate of pay for the pay period, the total pay for that pay period is divided by the total hours worked during the pay period.
- K. Overlap in USPS Positions

No position should be filled by more than one full-time equivalency, except as provided for in this section. Overlap is defined as a condition in which more than one employee in pay status is placed in the same position resulting in the position being filled by more than 1.00 FTE for any of the following reasons:

- 1. The President or President's designee may approve an overlap for the purpose of training one employee to take over the duties of another employee who is vacating the position. Overlap for this reason may be approved for a period not to exceed 30 days. Overlap for training purposes for longer periods of time may be approved with appropriate written justification.
- 2. The President or President's designee may approve an overlap for the purpose of performing the duties of an employee who has been placed on leave with pay. Overlaps for this reason may be approved for a period not to exceed six months. Overlaps to replace an employee on leave with pay for longer periods of time may be approved with appropriate written justification.

#### L. Pay for Overtime Work

Pay for overtime work pertains only to non-exempt employees as defined by The Fair labor Standards Act (FLSA).

# M. Guaranteed Salary Provisions

No USPS employee who is employed in an exempt position is guaranteed a salary for any workweek in which the employee performs no work.

- 1. A USPS employee who is employed in an exempt position should be paid his/her full salary for any week in which the employee performs without regard to the number of hours or days worked, subject to the following provisions:
- 2. When an employee is absent from duty for personal reasons and has available leave the employee should be required to use such leave to cover the absences. If the employee has no such leave available, the employee may be granted a leave of absence without pay under conditions of the Family Medical leave Act (FMLA) or upon approval of President or President's designee. Absences for personal reasons include all absences except those occasioned by the University.
- 3. When an employee is absent from duty for reasons by the University except for budget-required furloughs, the employee will be afforded administrative leave to cover the absences.
- 4. When an employee is absent from duty due to a budget-required furlough, the employee should be granted leave without pay. Such leave will not disqualify the employee from being paid on a "salary basis" under the FLSA except in the workweek in which a budget-required furlough occurred.

# X. Processing of Pay

#### A. Changes

- 1. In processing pay changes all computations should be rounded to the nearest cent in accordance with normal rounding procedures.
- 2. In processing pay changes, all pay additives should be removed prior to calculating any changes to an employee's base rate of pay.
- 3. When changes are made to an employee's base pay, the employee should be notified.

# **B.** Budgetary Limitations

Implementation of all provisions relating to payment of salaries is contingent upon funds being available in the University's approved operating budget and should be in compliance with applicable Federal and State laws.

**C.** Effective Date of Salary Changes

The effective date of salary changes provided for in this memorandum should be:

- 1. The effective date specified by legislative action; or
- 2. Delayed Regular Appointment/Promotional Increase.
- **E.** Payroll Correction Due to Error
  - 1. Corrections of payroll errors causing salary under or over payments may be made within 24 months following the effective date of the error.
  - 2. A salary overpayment or underpayment correction should be made in accordance with guidelines and rules issued by the State Comptroller.