

<b>Compensation Administration Procedures</b>	
<b>Purpose</b>	
1.1	To establish campus procedures regarding how jobs are classified and how employees are compensated consistent with the University of Nebraska Medical Center (UNMC) Compensation Administration Policy.
1.2	This procedure provides guidance for UNMC campus supervisors and employees regarding interpretation and administration of the UNMC Compensation Administration Policy #1007.
<b>Scope</b>	
2.1	The UNMC NU Values Compensation Administration procedure is applicable to all UNMC Office/Service and Managerial/Professional positions. This procedure is not applicable to Faculty, Academic Administration, and other Academic positions.
<b>Basis of the Procedure</b>	
3.1	UNMC Compensation Administration Policy #1007
<b>Authorities and Administration</b>	
4.1	The UNMC Director, Strategic Staffing and Compensation is responsible for the administration, implementation, and maintenance of the NU Values program at the campus level in consultation with the Assistant Vice Chancellor, Executive Director, Human Resources.
4.2	The Strategic Staffing and Compensation Division is available for consultation regarding compensation transactions. There are circumstances which <u>require</u> Strategic Staffing and Compensation Division involvement. Those circumstances are specified in the procedure statements below.
<b>Procedure</b>	
5.1	<b>Program Structure:</b> Within the NU Values program, there are four major components to the compensation infrastructure. These consist of Job Classification, Job Families, Pay Bands, and Market Relevant Survey Data.

5.1.1	<p>The following definitions provide clarity when considering the compensation administration infrastructure:</p> <p><b>Job Content Value</b> – the level of skill, effort, responsibility, and working conditions present in a job as characterized, and required, by the job’s tasks and duties. This does not measure the employee’s performance contribution while executing the job.</p> <p><b>Performance Contribution</b> – an employee’s demonstrated and observable actions, behaviors, and outcomes pertinent to the execution of a job’s duties and tasks. This is an employee-specific measurement, and not a job content value measurement.</p> <p><b>Job Classification</b> is a process by which job content value characteristics are identified, evaluated, and allocated to a Job Family (5.1.2) and Benchmark Range (5.1.3), and are assigned unique title codes. These classifications are grouped into one of two categories – Benchmark Jobs or Non-Benchmark Jobs.</p> <p><b>Benchmark Jobs</b> are those jobs which are commonly used in the industry and clearly recognizable by their responsibilities, duties, and qualifications. To be classified as a Benchmark Job, relevant and competitive market pay data is available and utilized in the development of a pay range.</p> <p><b>Non-Benchmark Jobs</b> are jobs for which by their unique characteristics, relevant and competitive market pay data is not available, or, if available, data is not used in the development of a pay range.</p> <p>Non-Benchmark jobs are allocated to the Job Family Pay Band (5.1.3) structure utilizing one or both of two methods – the Zone Placement Matrix and/or a process called “whole job slotting”. The Zone Placement Matrix measures job content value by examining the level of the compensable job content value factors that are present in the job which include: Knowledge, Skills and Abilities, Problem Solving and Decision-Making, Interactions, Nature of Supervision, and Impact. Whole job slotting is a ranking process in which the job is compared with previously allocated jobs and placed in the appropriate group of “like valued” jobs.</p> <p>In compliance with the Fair Labor Standards Act (FLSA) 541 regulations, both benchmark and non-benchmark jobs are evaluated to determine the job’s FLSA exemption status.</p>
5.1.2	<p>A <b>Job Family</b> is a group of jobs related by their common vocations or professions and having a continuum of knowledge, skills, and abilities. The NU Values program recognizes fifteen (15) job families to include:</p> <ul style="list-style-type: none"> <li>- Administrative and Business Operations</li> <li>- Advising, Career and Student Services</li> <li>- Educational and Outreach Programs</li> <li>- Facilities Planning and Operations</li> <li>- Food Service and Dietary</li> <li>- Health Care</li> <li>- Information Technology</li> <li>- Library Services</li> <li>- Materials Management and Print Production</li> </ul>

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		<ul style="list-style-type: none"> <li>- Museum and Arts</li> <li>- Public Relations, Marketing and Development</li> <li>- Public Safety</li> <li>- Research and Agriculture</li> <li>- Sports and Recreation</li> <li>- Television, Radio and Video Production</li> </ul>
5.1.3		<p>Each Job Family has its own <b>Pay Band</b> representing the total pay opportunity for those jobs allocated to the Job Family. Within each Pay Band are a series of Zones and Benchmark Ranges.</p> <p>Each band contains four zones: Assistant, Associate, Specialist, and Senior. A <b>Zone</b> is a unique interval of pay opportunity within a pay band. Each Zone represents common characteristics of jobs allocated based on Zone Placement Matrix results. An employee's pay level will not be less than the established minimum pay rate or greater than the established maximum pay rate of the Job Family Zone to which their position has been allocated, unless specifically authorized by the Director, Strategic Staffing and Compensation.</p> <p>Each Zone is segmented by <b>Benchmark Ranges</b>. Benchmark Ranges are used to effectively communicate the market relevant pay opportunities for purposes of planning, budgeting, employee hiring, and employee pay adjustments.</p> <p>The established minimum and maximum pay rate of a Benchmark Range is defined as the parameters within which an employee's pay level can be administered. The employee's pay level will not be less than the minimum of the Benchmark Range to which their job is assigned.</p>
5.1.4		<p>The NU Values pay structures are analyzed on an on-going basis to determine relevancy to market. Relevant labor market wage and pay surveys are utilized, which represent a cross section of job classifications, from which Benchmark Ranges are developed.</p> <p>The UNMC labor market is defined as an area of national, regional, or local scope encompassing a competitive market for the jobs from which the University recruits qualified employees.</p> <p>Salary structures are maintained by job family. Any market adjustments to these structures will reflect the unique characteristics of the relevant market changes for each job family.</p> <p>Questions pertaining to the NU Values market survey data are to be directed to the Strategic Staffing and Compensation Division. Should the need arise, informal salary surveys may be conducted based on the criteria established in the "Statements of Antitrust Enforcement Policy in Health Care" that was jointly published by the U.S. Department of Justice (DOJ) and the Federal Trade Commission (FTC) in August, 1996.</p> <p><b>Therefore, under no circumstances should any employee of UNMC directly contact outside organizations for salary related information.</b> The Strategic Staffing and Compensation Division is available to review requests to ensure the established criteria are met.</p>

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5.2	<p><b>Equal Employment Opportunity:</b>          The University of Nebraska Medical Center declares and affirms a policy of equal educational and employment opportunities, affirmative action in employment, and nondiscrimination in providing its services to the public. Therefore, the University of Nebraska Medical Center shall not discriminate against anyone based on race, age, color, disability, religion, sex, national or ethnic origin, marital status, genetic information, sexual orientation, Vietnam-era veteran status, or special disabled Veteran status. Sexual harassment in any form, including hostile environment and quid pro quo, is prohibited.</p>
5.3	<p><b>Pay Administration:</b>          Employee pay change opportunities are influenced by the New Hire Starting Pay Level, Classification Related activities or Employee Related activities.</p>
5.4	<p><b>New Hire Starting Pay Level:</b>          The hiring manager will be responsible for determining the <b>Starting Pay Level</b> for a new UNMC employee.</p> <p>Determining the starting pay level for a new hire is a critical component of effective compensation administration. The new hire starting pay level establishes a foundation, upon which, future pay actions are based and job content and performance messages are communicated to the employee.</p> <p>Consistent with UNMC’s commitment to market relevance and internally equitable pay decisions (UNMC Compensation Administration Policy #1007; 5.1), several factors must be considered when determining the starting pay level of a new hire. This action will be based on several considerations that may include, but are not limited to, the following:</p> <ul style="list-style-type: none"> <li>- Qualifications of the new hire including past experience and education</li> <li>- Previous work record including performance contributions</li> <li>- University pay levels of employees in comparable jobs</li> <li>- Market Pay Levels</li> <li>- Pay History</li> <li>- Total Cash Compensation (Base Pay, Stipends, Other)</li> <li>- Department budget and fiscal resources available</li> </ul> <p>The Strategic Staffing and Compensation Division is available to provide guidance for new hire starting pay levels.</p>
5.5	<p><b>Classification Related:</b>          A <b>Classification Related</b> activity is defined as a change in job content value to an employee’s current position, or, in a position to which the employee is being reassigned to. Based on individual circumstances, a Classification Related action may or may not result in an <b>Adjustment</b> to the employee’s pay level.</p> <p>There are six distinct actions which reflect Classification Related activities:</p> <ul style="list-style-type: none"> <li>- Additional Responsibilities</li> <li>- End Additional Responsibilities</li> <li>- Advancement</li> <li>- Promotion</li> <li>- Voluntary Reduction</li> <li>- Demotion</li> </ul>

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5.5.1	<p>An <b>Additional Responsibilities Adjustment</b> is a change in pay level based on an increase in job content value that does not warrant a change in Benchmark Range assignment.</p> <p>Additional Responsibilities Adjustments may be processed as an on-going adjustment, or for a duration of time with an end date. At which time the employee's pay level is reduced.</p> <p>Managers are <u>required</u> to contact the Strategic Staffing and Compensation Division for guidance on all Additional Responsibilities Adjustments.</p>
5.5.2	<p>An <b>End Additional Responsibilities Adjustment</b> is the completion of a temporary increase in job content value. This is the action to end an Additional Responsibilities adjustment (7.1.1).</p>
5.5.3	<p>An <b>Advancement</b> action is the result of a significant increase in job content value that reallocates the job classification to a higher (greater than 5% midpoint difference) Benchmark Range.</p> <p>When such change results in a reallocation of the job classification to a different Zone within any Job Family and the midpoint differences are greater than 5%, it is considered to be a <b>Promotion</b> action for the incumbent employee.</p>
5.5.4	<p>A <b>Voluntary Reduction</b> action is the result of an employee accepting or requesting a decrease in job content value that is not related to performance. This action reallocates the job classification to a lesser (more than 5% below current midpoint) Benchmark Range, regardless of resulting Zone assignment or Job Family.</p> <p>Under normal circumstances, a Voluntary Reduction action will result in a decrease to the employee's pay level. The resulting pay level may not exceed the established maximum pay rate of the newly assigned Benchmark Range.</p> <p>Managers are <u>required</u> to contact the Strategic Staffing and Compensation Division for guidance on all Voluntary Reduction actions.</p>
5.5.5	<p>A <b>Demotion</b> action reflects an employee's less than acceptable performance in the current job. This action reallocates the job classification to a lesser (more than 5% below current midpoint) Benchmark Range, regardless of resulting Zone assignment or Job Family.</p> <p>Based on individual circumstances, a Demotion action may result in a pay Adjustment decrease to the employee's pay level. <u>No pay Adjustment increase will occur with a Demotion action</u> and, the demoted employee's pay level will not exceed the established maximum pay rate for the Benchmark Range into which their classification is assigned.</p> <p>Managers are <u>required</u> to contact the Strategic Staffing and Compensation Division for guidance on all Demotion actions.</p>

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5.5.6	<p>Classification related pay actions may warrant a pay adjustment increase of up to 10% of the employee's pre-adjustment pay level.</p> <p>Pay Adjustment recommendations of more than 10% <u>require</u> prior approval from the Director, Strategic Staffing and Compensation. Under normal circumstances, the resulting pay level will not exceed the established maximum pay rate for the assigned Benchmark Range.</p>
5.6	<p><b>Employee Related:</b>          While Classification Related activities are identified by changes in job content value, <b>Employee Related</b> activities are identified by changes in the characteristics of the employee. Based on individual circumstances, an Employee Related action may or may not result in an Adjustment to the employee's pay level.</p> <p>There are six distinct actions which reflect Employee Related activities:</p> <ul style="list-style-type: none"> <li>- Probationary Adjustment</li> <li>- Performance Adjustment</li> <li>- Annual Adjustment</li> <li>- Internal Adjustment</li> <li>- External Adjustment</li> <li>- Lateral Move</li> </ul>
5.6.1	<p>A <b>Probationary Adjustment</b> action may only be provided to Office/Service employees and is defined as a change in pay level based upon completion of six months of service (original probationary period). A Probationary Adjustment is not "automatic", and may or may not be processed for an employee. However, to be eligible, the employee must be fully meeting job expectations at the time of the adjustment.</p>
5.6.2	<p>A <b>Performance Adjustment</b> action is a change in pay level based on the individual performance contributions of the employee in the current job.</p> <p>The recommendation for a Performance Adjustment must be supported with a written employee performance review. To be eligible, the employee must have been working for at least six (6) months prior to the adjustment date. These pay Adjustments may only be granted on January 1 or July 1, provided sufficient funds are available.</p>

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5.6.3	<p>An <b>Annual Adjustment</b> action is a change in pay level associated with the legislative appropriations process and action from the Board of Regents, normally given on July 1 each year.</p> <p>Guidelines for determining and processing the Annual Adjustments will be distributed annually, usually as a part of the annual budgeting process. These may or may not include a performance factor. Should the process include a performance factor, guidelines for the distribution of the funds will be provided. For the purpose of the administration of this policy, <u>an Annual Adjustment action which includes a performance factor is not to be considered a Performance Adjustment action.</u></p> <p>If, after applying the approved Annual Adjustment percentage to an employee's pay level, the resulting pay level is greater than the assigned Benchmark Range maximum rate, the employee's Annual Adjustment will be limited to no more than the approved legislated appropriation percentage.</p>
5.6.4	<p>An <b>Internal Adjustment</b> action is a change in pay level based on campus specific factors (These factors include, among others, the pay levels and/or performance levels of employees in comparable jobs). In keeping with UNMC's commitment to internally equitable pay decisions (UNMC Compensation Administration Policy #1007; 5.1), several factors must be considered when determining Internal Adjustments, including, but not limited to, the following:</p> <ul style="list-style-type: none"> <li>- Qualifications including past experience and education</li> <li>- Previous work record including performance contributions</li> <li>- University pay levels of employees in comparable jobs</li> <li>- Pay History</li> <li>- Total Cash Compensation (Base Pay, Stipends, Other)</li> <li>- Department budget and fiscal resources available</li> </ul> <p>It is recommended that the hiring manager consult with a Strategic Staffing and Compensation Consultant to review the circumstances surrounding the need for an Internal Adjustment action. The consultant can assist in the collection and analysis of the relevant data.</p>
5.6.5	<p>An <b>External Adjustment</b> action is a change in pay level based on factors outside of the campus. These may include significant changes in the relevant market pay values, the economy, and/or direct competition to retain employees.</p> <p>Managers are <u>required</u> to contact the Strategic Staffing and Compensation Division for guidance on all External Adjustment actions to review the circumstances surrounding the need. The consultant can assist in the collection and analysis of the relevant data.</p>

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5.6.6	<p>A <b>Lateral Move</b> action is when an employee accepts a reassignment to a different job classification. This action reallocates the job classification to a comparable (within 5% of the current midpoint) Benchmark Range, regardless of resulting Zone assignment or Job Family. By definition the new and old classifications are considered to be of comparable job content value.</p> <p>Under normal circumstances, a Lateral Move action <u>will not</u> result in a pay Adjustment increase, it can result in a pay Adjustment decrease. However, a pay increase may be approved when the employee's current pay level is positioned in the lower third of the Benchmark Range.</p>
5.6.7	<p>Employee related pay actions may warrant a pay adjustment increase of up to 10% of the employee's pre-adjustment pay level.</p> <p>Pay Adjustment recommendations of more than 10% <u>require</u> prior approval from the Director, Strategic Staffing and Compensation. Under normal circumstances, the resulting pay level will not exceed the established maximum pay rate for the assigned Benchmark Range.</p>
5.7	<p><b>Frequency of Pay Adjustment Actions:</b>          The frequency of pay Adjustments are approved and monitored by the type of action as follows:</p>
5.7.1	<p><b>Probationary</b> – May occur for Office/Service employees after six months of original hire date, given funding availability and the employee is fully meeting job expectations.</p>
5.7.2	<p><b>Annual</b> – Based on legislative appropriations and typically once a year on July 1.</p>
5.7.3	<p><b>Internal</b> – Can occur as needed, given funding availability.</p>
5.7.4	<p>* <b>External</b> – Can occur as needed, given funding availability.</p>
5.7.5	<p><b>Performance</b> – Can occur on January 1 and July 1, or not at all. However, when considered along with an Advancement or Promotion action, the total combined number of these pay Adjustments cannot exceed two occurrences during a fiscal year without prior approval from the Director, Strategic Staffing and Compensation.</p>
5.7.6	<p><b>Advancement/Promotion</b> – Can occur as needed. However, when considered along with a Performance Adjustment action, the total combined number of these pay Adjustments cannot exceed two occurrences during a fiscal year without prior approval from the Director, Strategic Staffing and Compensation.</p>
5.7.7	<p>* <b>Additional Responsibilities</b> – Can occur as needed. However, when considered along with a Performance Adjustment action, the total combined number of these pay Adjustments cannot exceed two occurrences during a fiscal year without prior approval from the Director, Strategic Staffing and Compensation.</p>
5.7.8	<p><b>End Additional Responsibilities</b> – Can occur as needed, or as the temporary increase in job content value is completed.</p>
5.7.9	<p><b>Lateral Move</b> – Under normal circumstances, no increase in pay is permitted. A decrease in pay is permitted when existing considerations warrant such an adjustment.</p>



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	5.7.10	* <b>Voluntary Reduction</b> – No increase in pay permitted. However, a decrease in pay is permitted.
	5.7.11	* <b>Demotion</b> – No increase in pay permitted. However, a decrease in pay is permitted.
* Pay Adjustment actions that require Strategic Staffing and Compensation Division involvement.		
<b>Pay Transparency</b>		
6.1	<p>The University of Nebraska Medical Center (UNMC) will not discharge or in any other manner discriminate against employees or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of another employee or applicant. However, employees who have access to the compensation information of other employees or applicants as a part of their essential job functions cannot disclose the pay of other employees or applicants to individuals who do not otherwise have access to compensation information, unless the disclosure is (a) in response to a formal complaint or charge, (b) in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by UNMC, or (c) consistent with the UNMC’s legal duty to furnish information.</p> <p>The University of Nebraska publishes Budget and Salary information at <a href="http://www.nebraska.edu">www.nebraska.edu</a></p>	
<b>Notice of Non-Discrimination</b>		
7.1	<p>Please see UNMC's <a href="#">Notice of Non-Discrimination</a> regarding the University of Nebraska Medical Center's commitment to creating a diverse and inclusive working and learning environment free from discrimination and harassment.</p>	
<p>For additional information, contact Human Resources – Compensation at 402-559-5913 or 402-559-4102</p>		