

UNIVERSITY RULE

31.01.01.M7 Employee Compensation Administration

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Rule Statement and Reason for Rule

System Regulation 31.01.01 defines various employee groups within The Texas A&M University System. Texas A&M University has two principal groups of employees--classified and non-classified. This University Rule addresses classified positions and non-classified professional and administrative positions excluding board appointed, faculty, research (except as noted), and extension non-classified positions. Student worker titles and corresponding pay rates are administered by the Department of Scholarships and Financial Aid.

Definitions

Classified Positions: Positions, administered through the Texas A&M Classified Pay Plan, that are sufficiently similar so that the same descriptive title can be used for each, with a typical set of duties that are generally encompassed by all positions in that classification.

Non-classified Positions: Positions that are one of a kind, have negotiable salaries, are widely recruited, and generally carry a degree and/or special training requirement.

Rule and Responsibilities

1. GENERAL

- 1.1. Human Resources, Classification and Compensation will maintain an Employee Classification System and publish a Classified Personnel Pay Plan for Texas A&M University. Other A&M System components headquartered in College Station and Texas A&M University System Offices may use the A&M Classified Pay Plan for equivalent titles or administer their own plans as allowed by System

Regulation In addition, Human Resources, Classification and Compensation will administer position titling and compensation procedures for Texas A&M non-classified professional and administrative employees.

- 1.2 The base salary of all Texas A&M employees will be a fixed amount and no employee will receive any additional base salary from Texas A&M without specific approval of the President, or designee. The annual operating budget and personnel actions initiated during the year must be prepared and processed in accordance with this requirement. The President sets the minimum hourly wage to be paid to employees of Texas A&M. Such rates will not be less than the minimum wage prescribed by state and federal law.
- 1.3 Pay rates for wage positions (excluding student positions) should be appropriate for the classified or non-classified title being used and may be subject to review by Human Resources.

2. CLASSIFIED EMPLOYEE COMPENSATION PROCESS

- 2.1 Employee Classification System. The Employee Classification System has several features: a set of uniform titles, an established salary grade for each title, and a classification specification for each title.
 - 2.1.1 Uniform Classified Titles. A class is a group of positions with similar qualifications and duties that allows the same descriptive title to be used for each.
 - 2.1.2 Consistent and Equitable Salaries. When a classified position is established or reclassified, the duties and responsibilities of the position are compared with other similar positions. Each position is then assigned a classified title which has a specific salary grade based on internal and external market factors.
 - 2.1.3 Classification Specifications. Each classified title is described in a Classification Specification that outlines the typical duties and required qualifications for all positions with that title.
- 2.2 Classified Personnel Pay Plan. Salaries for positions listed in the Classified Personnel Pay Plan will be set in accordance with that plan. The Classified Personnel Pay Plan includes all classified titles and assigns each to a specific salary grade. The plan also provides the salary rates for each salary grade and other information such as title codes and Fair Labor Standards Act exemption status. The Classified Personnel Pay Plan is maintained and published by Human Resources, Classification and Compensation.

3. NON-CLASSIFIED EMPLOYEE COMPENSATION PROCESS

- 3.1 Salaries for positions with titles not included in the Classified Personnel Pay Plan will be determined in accordance with Section 6 of this rule. The vice presidents, deans and department heads are responsible for salary administration of faculty members and other non-classified positions within their organizations. Salaries for new non-classified professional and administrative positions are determined in the Human Resources approval documentation at the time the position is established. New or re-titled non-classified positions shall have uniform titles, consistent and equitable salaries, and a documented job description for each position. See [University SAP 31.01.01.M7.02: Creating, Reclassifying, and Re-titling Positions](#), for additional guidelines regarding non-classified positions, including Non-faculty Research positions.
- 3.1.1 Uniform Non-classified Titles. The same descriptive title is used for positions with similar duties, responsibilities, and qualifications. These titles provide the ability to compare one non-classified position with another.
- 3.1.2 Consistent and Equitable Salaries. When a non-classified position is established or re-titled, its base salary is compared to similar positions on and off campus to ensure the salary is consistent with internal and external market factors. Hiring ranges for titles that are part of approved career ladders or paths may also be used to determine appropriate salary rates. Actual salaries may differ based on seniority, performance, or employee qualifications.
- 3.1.3 Documented Job Descriptions. Each position is described in a formal job description that provides details on the duties, responsibilities, required qualifications and organizational placement of the position. The Texas A&M Position Description is used to document the job requirements.
- 3.2 Non-classified Titles and Title Codes. Human Resources Classification and Compensation is responsible for maintaining the Non-classified Titles and Title Codes database. A listing of non-classified titles and title codes can be viewed at <http://employees.tamu.edu/compensation/titles-salaries/non-classified/> online. The listing also contains information on each title's eligibility for the Optional Retirement Program and the Fair Labor Standards Act exemption status.

4. EMPLOYEE COMPENSATION ADMINISTRATION (Classified and Non-classified Employees)

Human Resources, Classification and Compensation will:

- (1) create new classified and non-classified titles when needed;

- (2) solicit input, as appropriate, from participating A&M System members regarding classified titles and non-classified career ladder titles;
- (3) maintain the Classified Personnel Pay Plan, develop and maintain career ladders and maintain the Non-classified Titles and Title Codes database;
- (4) conduct job studies upon request, including review of proposed salaries, and establish or reclassify/re-title positions;
- (5) create and update Classification Specifications for new or changing classified or non-classified jobs, and
- (6) review requests for new positions, reclassifications and internal promotion or transfer for appropriateness of the proposed salary.

5. TYPES OF SALARY INCREASES (Classified and Non-classified Employees)

There are several ways in which classified and non-classified professional and administrative employees' salaries can be increased after hire:

- 5.1 Promotion Increase. An increase that occurs when an employee moves from his/her current position to a position with a different Position Identification Number (PIN) as a result of the hiring process or through approved internal promotion, and the position requires higher qualifications (such as greater skill, more education or experience, or a higher level of responsibility) and a higher rate of pay.
- 5.2 Reclassification Increase. An increase that occurs when job duties, responsibilities, and required qualifications of a position are reevaluated and the position is assigned to a different title that warrants a higher rate of pay within the same PIN.
- 5.3 Hiring Salary Adjustment. An increase that may be given within three months after the end of six months service for newly hired, promoted, or reclassified employees according to paragraph 6.4, below.
- 5.4 Across-the-Board Increase. A uniform salary increase given in accordance with prescribed guidelines, often granted by legislative enactment, without regard to individual merit of affected employees.
- 5.5 Merit Salary Increase. An increase granted to an employee in recognition of meritorious job performance with no title change, in accordance with the criteria described in Section 7. Two types of merit salary increases include:
 - 5.5.1 Merit raise: An increase that is added to the employee's salary base.

- 5.5.2 One-time merit payment: A lump sum that is not added to the employee's base salary. (See [University Rule 31.01.01.M5: Flexible Compensation Programs](#) and [SAP 31.01.01.M5.02: One-Time Merit Payments](#).)
- 5.6 Temporary Salary Increase. An increase to compensate an employee who assumes additional or a higher level of responsibilities and duties on a temporary basis as defined in section 9.4.
- 5.7 Increase Due to Change in Minimum Rates. An increase that occurs when market conditions or changes in applicable laws dictate the adjustment of the salary grade or salary minimum for a particular Classified Pay Plan title or for a non-classified title that has an established minimum rate or hiring grade.
- 5.8 Adjustment/Equity Increase. An increase that may occur due to an external pressure in high demand areas, internal salary compression and other forces which may be beyond the control of the university departments. Equity increases are typically made during the budget cycle. (For out-of-cycle equity adjustments, see [University Rule 31.01.01.M2: Salary Increases not Awarded Through the Regular Budget Cycle](#).)
6. SALARY ADMINISTRATION FOR NEW HIRES, TRANSFERRED, PROMOTED OR RECLASSIFIED EMPLOYEES (Classified and Non-classified Employees)
- 6.1 Definitions:
- 6.1.1 New Hire – A “new hire” occurs when an individual who is not currently a budgeted employee of Texas A&M University is hired into a budgeted position. (For more information, see [University SAP 33.99.01.M0.01: Hiring of Non-Faculty Positions](#).)
- 6.1.2 Transfer – A change in employee status is considered a transfer when an employee moves from his or her current budgeted position to a budgeted position with a different PIN as a result of the hiring process or through approved internal transfer and the move does not meet the definition of a promotion. Transfers include lateral transfers and voluntary moves to lower positions. A vice president may approve the transfer of a qualified internal candidate currently employed in a budgeted position to fill a vacant budgeted position without posting a Notice of Vacancy. In addition, see 33.99.01.M0.01, section 1.5 for allowance of direct transfers of student employees into wage positions in lieu of posting. See SAP 31.01.01.M7.03, Internal Promotions and Transfers of Non-Faculty Employees for the approval process.
- 6.1.3 Promotion – A change in employee status is considered a promotion when an employee moves from his or her current budgeted position to a budgeted position with a different PIN as a result of the hiring process or

through approved internal promotion, and the position requires higher qualifications (such as greater skill or more education or experience or involving a higher level of responsibility), a higher rate of pay and usually a different title. A vice president may approve the promotion of a qualified internal candidate currently employed in a budgeted position to fill a vacant budgeted position without posting a Notice of Vacancy. See Standard Administrative Procedure 31.01.01.M7.03, Internal Promotions and Transfers of Non-Faculty Employees for the approval process.

6.1.4 Reclassification – When a position’s job duties, responsibilities and required qualifications are reevaluated and the position is assigned to a different title within the same PIN.

6.2 New Hires, Promoted and Transferred Employees

6.2.1 Classified Positions

The salary rate of a new hire or an internally promoted or transferred classified employee will normally be the minimum amount of the position’s assigned salary grade. An applicant or a budgeted employee being considered for internal promotion or transfer for a classified position who has qualifications markedly superior to the minimum requirements for the position may be approved for a salary rate above the minimum amount.

6.2.1.1 Department heads may approve requests for starting rates up to 10% above the minimum amount of the assigned salary rate of a classified position.

6.2.1.2 All other recommendations shall be submitted through administrative channels to the appropriate vice president, or designee, for approval. The request will provide the name of the applicant or budgeted employee, position identification number (PIN), the recommended salary rate, a concise and factual justification statement, and an indication of the source of funds. For internal promotions or transfers, the above information should be included in the request process described in Standard Administrative Procedure 31.01.01.M7.03, Internal Promotions and Transfers of Non-Faculty Employees.

6.2.2 Non-Classified Positions

The salary rate of a new hire or an internally promoted or transferred employee into a non-classified position will depend on multiple factors.

6.2.2.1 The salary rate for a newly established non-classified position will be approved when the position is created. The rate for a non-classified position that has been reclassified since becoming vacant

is the rate approved in conjunction with the reclassification. The rate for a new hire into a vacant non-classified position will be established by the hiring department, should maintain internal equity, shall give consideration to established salary grades or career ladder hiring ranges, if any exist, for the position title, and cannot exceed the vacant position's currently budgeted rate without additional approval as described in 6.2.2.2 below. The rate of an internally promoted or transferred employee should maintain internal equity and will be reviewed by Human Resources through the request process described in Standard Administrative Procedure 31.01.01.M7.03, Internal Promotions and Transfers of Non-Faculty Employees.

6.2.2.2 Increases above the approved rate for newly established positions or above the approved or currently budgeted rate for vacant positions or positions into which an employee is proposed to be internally promoted or transferred must be approved by the appropriate vice president or designee. Such recommendations shall be submitted through administrative channels to the appropriate vice president or designee for approval. The request will provide the name of the applicant, position identification number (PIN), the recommended salary rate, a concise and factual justification statement, and an indication of the source of funds. For internal promotions or transfers, the above information should be included in the request process described in Standard Administrative Procedure 31.01.01.M7.03, Internal Promotions and Transfers of Non-Faculty Employees.

6.2.2.3 Human Resources Classification and Compensation is available to assist in determining salary rates.

6.3 Reclassified Employees.

Current employees being proposed for reclassification must possess the minimum qualifications for the position as described in the Classification Specification or the Position Description. Salary rates of reclassified employees will be recommended by department heads in accordance with the following:

6.3.1 Classified Positions

6.3.1.1 The new salary rate of reclassified employee in a classified title will be the minimum amount of the position's assigned salary grade or the employee's current salary rate, whichever is higher. An employee who has qualifications markedly superior to the minimum requirements for the classified position may be approved for a salary rate above the minimum amount as described in this section.

6.3.1.2 Department heads may approve requests for classified salary rates up to 10% higher than the new minimum rate of the salary grade or the employee's current salary rate, whichever is higher.

6.3.1.3 All other recommendations shall be submitted through administrative channels to the appropriate vice president, or designee, for approval. The request will provide the name of the employee, the position identification numbers (PIN), the current and recommended salary rates, a concise and factual justification statement, and an indication of the source of funds.

6.3.2 Non-Classified Positions

6.3.2.1 The new salary rate of an employee who is reclassified to a non-classified title within the same PIN will be the rate approved through the reclassification process. Salary equity within the department should be maintained and consideration should be given to established salary grades or career ladder ranges, if any exist, for the proposed position title, as well as available market data.

6.3.2.2 Rate increases above the HR-approved rate for the reclassified position must be approved by the appropriate vice president or designee. Such recommendations shall be submitted through administrative channels to the appropriate vice president or designee for approval. The request will provide the name of the employee, position identification number (PIN), the current and recommended salary rates, a concise and factual justification statement, and an indication of the source of funds.

6.4 Hiring Salary Adjustments

Hiring salary adjustments are increases that may be given within three months after the end of the six months service for newly hired, internally promoted or reclassified employees who have specific skills and experience above the minimum qualifications for the position. Internal equity with other positions in the department should be considered before implementing a hiring salary adjustment.

6.4.1 Department Heads may approve requests for hiring salary adjustments up to 10% above the employee's current rate of pay. Hiring salary adjustments of more than 10% shall be submitted through administrative channels to the appropriate vice president for approval. The request will provide the name of the employee, the position identification number

(PIN), the current and proposed salary rates, a concise and factual justification statement, and an indication of the source of funds.

6.4.2 The recommendation made to the department head for the hiring salary adjustment will contain the employee's name, title and title code, date of hire, original hiring salary, proposed date of hiring salary adjustment, proposed salary, and a justification statement indicating that the employee's specific skills and experience are above the minimum qualifications for the position.

7. CRITERIA FOR DETERMINING MERIT SALARY INCREASES (MERIT RAISES AND ONE-TIME MERIT PAYMENTS) AWARDED THROUGH THE REGULAR BUDGET CYCLE

7.1 Criteria for awarding one-time merit payments are included in [University Rule 31.01.01.M5: Flexible Compensation Programs](#); and [Standard Administrative Procedure 31.01.01.M5.02: One-time Merit Payments](#).

7.2 An employee receiving a merit raise must have demonstrated meritorious performance evidenced by a "achieves" or higher overall rating, [or equivalent language in modified performance evaluation forms approved by Human Resources, Employee Relations], on his or her most recent performance evaluation; and

7.3 the employee must have been employed by Texas A&M for at least six (6) continuous months immediately preceding the effective date of the merit salary increase, and

7.4 the employee must not have received a merit salary increase within the past six months prior to the effective date of a merit salary increase. Note: In any instance where an employee received a merit salary increase effective September 1st, the first opportunity for that employee to be awarded another merit salary increase would be March 1st. A merit salary increase awarded after March 1st would make the employee ineligible to receive a merit salary increase the following September 1st.

7.5 A merit salary increase may include the combination of a merit raise and a one-time merit payment with the same effective date.

8. TIMING OF SALARY INCREASES

8.1 As a general rule, merit raises and across-the-board increases (see Section 5, above) are granted at the beginning of the fiscal year and in accordance with the criteria listed in Section 7 above and the budget guidelines approved by the Board of Regents.

- 8.2 In cases of exceptional job performance, merit raises may be granted at times other than the beginning of the fiscal year. An employee receiving a merit raise outside of the budget cycle must meet the criteria described in Section 7. Requests for these increases must be submitted and approved in advance and the effective date must be on or after the date of final approval since retroactive salary increases are not allowed. (Refer to [University Rule 31.01.01.M2: Salary Increases not Awarded Through the Regular Budget Cycle](#) for guidelines regarding out-of-cycle increases.)
- 8.3 Increases other than merit raises and across-the-board increases may be granted on the effective date of the change. Requests for these increases must also be submitted and approved in advance.

9. ADDITIONAL COMPENSATION

- 9.1 The salary rate paid to an employee during a summer session will not exceed the base salary rate paid to the employee for the same or similar services during the preceding long session.
- 9.2 Additional compensation may be paid to staff members for teaching resident courses after regular work hours, for teaching extension center courses, for teaching continuing education courses, and for work outside the scope of their regular job responsibilities. Advance approval from the appropriate department head is required for staff. (Refer to [University Rule 11.99.99.M2: Continuing Education Activities Conducted by the University](#) for additional information.)
- 9.3 Additional compensation may be paid to employees who perform additional, non-instructional work beyond their normal job responsibilities and in excess of 100% time. (Refer to [Standard Administrative Procedure 31.01.99.M0.02: Approval Procedures for Supplemental Compensation and Dual Employment](#) for additional information.)
- 9.4 Temporary salary increases may be paid to employees temporarily taking on additional responsibilities and duties beyond the scope of their current job description. (See [University Rule 31.01.01.M4: Temporary Salary Increases](#) for additional information.)

10. METHOD OF SALARY PAYMENT/RECORDS

- 10.1 Personnel employed on an annual salary basis are paid in monthly installments.
- 10.2 Monthly salaries are paid on the first working day of the following calendar month unless the first working day is a designated state or national holiday, in which case monthly salaries will be paid on the first working day after the holiday.

- 10.3 Records and reports associated with salary and wage payments required by federal and state law, regulation, and by accounting systems of A&M System members are incorporated in the Budget/Payroll/Personnel System.
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Related Statutes Policies

[Regulation 31.01.01: Compensation Administration](#)

[Regulation 31.01.08: Merit Salary Increases](#)

[Regulation 33.99.01: Employment Practices](#)

[Regulation 33.99.04: Promotion, Transfer and Voluntary Moves](#)

[University Rule 33.99.01.M0.01, Hiring of Non-Faculty Positions](#)

[University SAP 31.01.01.M7.02, Creating, Reclassifying and Re-titling Positions](#)

[University SAP 31.01.01.M7.03, Internal Promotions & Transfers of Non-Faculty Employees](#)

Contact Office

For information on clarification on this Rule contact [Human Resources, Classification & Compensation](#) at (979) 845-4170 or by email at hrcomp@tamu.edu.

OFFICE OF RESPONSIBILITY [Human Resources](#)