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 (Texas A&M) includes the Texas A&M University Health Science Center (HSC) and branch campuses Texas A&M University at Galveston (TAMUG) and Texas A&M University at Qatar (TAMUQ). Texas A&M has the following types of positions: Board-appointed, Academic (faculty and faculty-equivalent), Research (faculty-equivalent and other research titles), Staff System-wide Pay Plan (SWPP), and Other Staff (Excluded from SWPP). This University Rule addresses staff (nonfaculty and research) positions excluding board appointed and faculty positions. Student worker titles and corresponding pay rates are administered by the Department of Scholarships and Financial Aid (Texas A&M) and the TAMUG Office of Human Resources. Faculty titles and corresponding pay rates are administered by the Dean of Faculties. Research titles are administered by the Division of Research. Approval guidelines for compensation of Research titles are determined by the Division of Research.

Definitions

Staff System-wide Pay Plan (SWPP): Positions administered through the System-wide 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 and each are assigned a pay grade.

Staff Positions Excluded from SWPP: Positions that have negotiable salaries, are widely recruited, and generally carry a degree and/or special training requirement. Includes key administrator positions identified as those typically appointed by the title of “director” or higher as determined
by the institutional structure, size, mission, etc. Other titles in this category include athletic coaches and librarians.

**Responsible Human Resources Unit:** For purposes of this rule, the responsible Human Resources unit for compensation matters is based on the type of position (staff or research staff) and whether the action is for a position at TAMUG, or Texas A&M University. The Division of Human Resources and Organizational Effectiveness (HROE) at Texas A&M University is responsible for Texas A&M compensation administration for staff titles; the Division of Research at Texas A&M is responsible for some compensation administration for research titles and the Human Resources department at TAMUG is responsible for some compensation administration, with review and oversight of classification actions through Texas A&M HROE. Hereinafter in this rule, Human Resources refers to the responsible HR unit.

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**Rule and Responsibilities**

1. **GENERAL**

   1.1. The SWPP is established and maintained according to System Regulation 31.01.01, Section 4.

   1.2 Pay rates for temporary casual positions (excluding student positions) should be appropriate for the SWPP title and pay grade (if applicable) being used and may be subject to review by the responsible Human Resources unit.

2. **PROCESS FOR TITLES INCLUDED IN SWPP**

   The SWPP, as administered by the Pay Plan Administration Committee and Pay Plan Administrator in accordance with System Regulation 31.01.01, Section 4, currently includes three pay structures: Local, System and Major Market. Texas A&M uses the System level structure and has divided the pay structure into three bands: Lower, Middle and Upper. Branch campus TAMUG uses the Major Market structure and uses internal approval procedures for most pay changes described in this rule. Contact TAMUG HR for additional pay administration guidelines.

   2.1 **Employee Classification System.** Titles included in the SWPP have several features: a set of uniform titles, an established pay grade for each title/job profile, and a job description for each title.

      2.1.1 **Uniform Titles.** A classification is a group of positions with similar qualifications and duties that allows the same descriptive title to be used for each. SWPP titles are organized into job families.

      2.1.2 **Consistent and Equitable Salaries.** When a position is established or reclassified, the duties and responsibilities of the position are compared with other similar positions. Each position is then assigned a title/job
profile, which has a specific pay grade based on internal and external market factors.

2.1.3 Job Descriptions. Each SWPP title/job profile is described in a job description that outlines the typical duties and required qualifications for all positions with that title/job profile. Each individual position will be outlined in a position description in Workday with specific duties and qualifications for that individual position.

2.2 System-wide Pay Plan. Salaries for positions listed in the SWPP will be set in accordance with that plan. The SWPP includes all pay plan titles and assigns each to a specific pay grade. The plan also provides the salary rates for each pay grade and other information such as title codes and Fair Labor Standards Act exemption status. The SWPP is maintained by the Pay Plan Administrator at the Texas A&M University System Offices.

3. PROCESS FOR TITLES EXCLUDED FROM THE SWPP

3.1 Salaries for staff positions with titles not included in the SWPP will be determined in accordance with Section 6 of this rule. Salaries for new positions are determined in the Human Resources approval documentation at the time the position is established. New or re-titled excluded positions shall have uniform titles, consistent and equitable salaries, and a documented position description for each position.

3.1.1 Uniform Titles. The same descriptive title is used for positions with similar duties, responsibilities, and qualifications. These titles provide the ability to compare one excluded position with another.

3.1.2 Consistent and Equitable Salaries. When an excluded position is established or re-titled, its base salary is compared to similar positions to ensure the salary is consistent with internal and external market factors. Actual salaries may differ based on seniority, performance, or employee qualifications.

3.1.3 Documented Position Descriptions. Each individual position will be outlined in a position description included in Workday with specific duties and qualifications for that individual position.

4. EMPLOYEE COMPENSATION ADMINISTRATION

The responsible HR unit will:

1. request new titles and modify existing titles through appropriate channels to the Pay Plan Committee;
(2) serve as members of, or be represented by other members, on the System level Pay Plan Administration Committee;

(3) conduct job studies upon request, including review of proposed salaries, and establish or reclassify/re-title positions;

(4) create and update job descriptions for new or changing jobs, and

(5) review requests for new positions, reclassifications and internal promotion or transfer for appropriateness of the proposed salary.

5. TYPES OF SALARY INCREASES

Employees’ salaries can be increased after hire through the following actions:

5.1 Promotion Increase. An increase that occurs as the result of a promotion, as defined in System Regulation 31.01.01, Section 1.3.1.

5.2 Reclassification Increase. An increase that occurs as the result of a reclassification or re-evaluation, as defined in System Regulation 31.01.01, Section 1.3.3.

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. As described in System Regulation 31.01.01, Section 1.4.1.

5.5 Merit Salary Increase. As described in System Regulation 31.01.01, Section 1.4.2, and in accordance with the criteria described in Section 7. A merit salary increase may be either one of the following or a combination of the two:

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 9.3.

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 pay grade for a particular SWPP title.
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 approved during the budget cycle for an effective date of September 1. In rare cases, other salary adjustments may be proposed for significant expansion of work, supervisory span of control or reorganizations, when a classification/job title change is not otherwise appropriate. Such proposed pay adjustments may be considered with advance approval from the responsible Human Resources unit, followed by approval by the appropriate Vice President or designee, for both SWPP and Excluded titles. (For out-of-cycle equity adjustments, see University Rule 31.01.01.M2, Salary Increases not Awarded Through the Regular Budget Cycle.)

5.9 Job-Related Skill Enhancement Pay. As described in SAP 31.01.01.M5.03, Job-Related Skill Enhancement Pay, and Section 6.5.

5.10 Counter Offer. An increase given to employees who have been offered employment with substantial salary increases by entities outside of Texas A&M University. Counter offers should be used only when the employee possesses special talents that cannot easily be replaced and are approved on a case by case basis. (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

6.1 Definitions:

6.1.1 New Hire – A new hire occurs when an individual who is not currently an active employee of The Texas A&M University System is hired into a position. (For more information, see University SAP 33.99.01.M0.01, Recruiting and Selection of Non-Faculty Positions.)

6.1.2 Transfer – As change in employee status is considered a transfer, as defined in System Regulation 31.01.01, Section 1.3.4, 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 job requisition. An internal transfer through the Internal Promotions and Transfers of Non-Faculty Employees process should not be used if the position is or was posted through a job requisition, and the employee being transferred was part of the applicant pool. In addition, see 33.99.01.M0.01, Recruiting and Selection of Non-Faculty Positions section 1.6 for allowance of direct transfers of student employees into temporary
casual 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 in accordance with System Regulation 31.01.01, Section 1.3.1. 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 job requisition. An internal promotion through the Internal Promotions and Transfers of Non-Faculty Employees process should not be used if the position is or was posted through a job requisition, and the employee being transferred was part of the applicant pool. See SAP 31.01.01.M7.03, *Internal Promotions and Transfers of Non-Faculty Employees* for the approval process.

6.1.4 **Reclassification** – When a position is assigned to a different title within the same PIN as described in System Regulation 31.01.01, Section 1.3.3.

6.2 **New Hires, Promoted and Transferred Employees**

Current employees being proposed for promotion or transfer must have the minimum qualifications for the position as described in the Position Description. Employees are eligible for promotion or transfer after employment in their present position for three months. Exceptions to the three-month limitation may be authorized by the Vice President for HROE, or designee, for Texas A&M. For TAMUG, exceptions may be approved by the TAMUG Human Resources unit and the COO. Salary rates of new hires, promoted and transferred employees will be recommended by department heads in accordance with the following:

6.2.1 **SWPP Positions**

The salary rate of a new hire or an internally promoted or transferred employee must be at least the minimum amount of the position’s assigned pay grade.

6.2.1.1 For Texas A&M, department heads may approve requests for starting rates within the lower band of the assigned pay grade. Colleges and divisions may require additional budgetary approval above department head. For TAMUG, additional internal approvals through the TAMUG Human Resources unit and the COO are required for starting rates above the minimum.

6.2.1.2 Salary recommendations within the middle band must be approved by the appropriate Vice President or designee. Salary recommendations for research titles within the upper band must include approval by the Vice President for Research (VPR) or designee. Salary recommendations for all other staff positions within the upper band or for all staff titles above the pay plan
maximum must be approved by both the appropriate Vice President and the Vice President for HROE or designee. TAMUG approvals for rates above the minimum must include the TAMUG HR unit and the COO. 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. It should also provide the justification for paying above the lower band and outline the individual’s superior qualifications. For internal promotions or transfers, the above information should be included in the request process described in SAP 31.01.01.M7.03, Internal Promotions and Transfers of Non-Faculty Employees.

6.2.1.3 Salaries listed on job requisitions for SWPP positions must fall within the lower band. The posted salary may be represented as a flat amount within the lower band, a range within the lower band, the full lower band, commensurate, or a combination of these.

6.2.2 Excluded Positions
The salary rate of a new hire or an internally promoted or transferred employee into an excluded position will depend on the factors described below.

6.2.2.1 The salary rate for a newly established excluded position will be approved when the position is created. The rate for an excluded 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 excluded position will be proposed by the hiring department, and should maintain internal equity, for the position title. Considerations for the available rate include the vacant position’s currently budgeted rate, relevant external market data, comparable internal positions, or other factors relevant to the proposed hiring rate. Appropriate approval within the department/division must be obtained to exceed the last budgeted rate for the position. 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 SAP 31.01.01.M7.03, Internal Promotions and Transfers of Non-Faculty Employees.

6.2.2.2 Increases above the HR-approved rate for newly established positions or above the HR-approved rate for 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. It should also provide the justification for paying this rate and outline the individual’s superior qualifications. For internal promotions or transfers, the above information should be included in the request process described in SAP 31.01.01.M7.03, *Internal Promotions and Transfers of Non-Faculty Employees.*

6.2.2.3 Human Resources 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 Position Description. Employees are eligible for reclassification after employment in their present position for three months. Exceptions to the three month limitation may be authorized by the Vice President for HROE for Texas A&M, and the TAMUG COO for TAMUG. Salary rates of reclassified employees will be recommended by department heads in accordance with the following:

6.3.1 **SWPP Positions**

6.3.1.1 The new salary rate of a reclassified employee in an SWPP title must be at least the minimum amount of the position’s assigned pay grade.

6.3.1.2 Department heads may approve requests for salary rates within the lower band or up to 10% higher than employee’s current salary rate, whichever is higher. Considerations for justification of pay rates include employee education and experience qualifications, external market pressure for filling the position, and internal comparison with comparable positions and their incumbents. Colleges and divisions may require additional budgetary approval above department head. TAMUG approvals for rates above the minimum include the TAMUG HR unit and the COO.

6.3.1.3 Requests for rates exceeding those outlined in section 6.3.1.2 that are in the middle band must have the approval of the appropriate Vice President or designee. Salary recommendations for research titles within the upper band must be approved by VPR. Requests for all other staff title rates exceeding those outlined in section 6.3.1.2 that are in the upper band or for all staff titles above the pay plan maximum must have approval of both the appropriate Vice President and the Vice President for HROE or designee for Texas A&M. TAMUG approvals for rates above the minimum include the TAMUG HR unit and the COO. 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. It should also provide the justification for paying above the lower band and outline the individual’s superior qualifications.

6.3.2 Excluded Positions

6.3.2.1 The new salary rate of an employee who is reclassified to an excluded title within the same PIN will be the rate approved through the reclassification process. Internal salary equity within the department, division and/or university should be maintained and consideration should be given to 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 for Texas A&M. TAMUG approvals for rates above the minimum include the TAMUG HR unit and the COO. 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. It should also provide the justification for paying above the HR-approved rate and outline the individual’s superior qualifications. Documentation of such approvals must be provided to Human Resources for their records.

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 SWPP Positions

6.4.1.1 Department heads may approve requests for salary rates within the lower band or up to 10% higher than employee’s current salary rate, whichever is higher. Colleges and divisions may require additional budgetary approval above department head. TAMUG approvals for rates above the minimum include the TAMUG HR unit and the COO.
6.4.1.2 Requests for rates exceeding those outlined in section 6.4.1.1 that are in the middle band must have the approval of the appropriate Vice President or designee. Salary recommendations for research titles within the upper band must be approved by the VPR or designee. Requests for all other staff title rates exceeding those outlined in section 6.4.1.1 that are in the upper band or for all staff titles above the pay plan maximum must have approval of both the appropriate Vice President and the Vice President for HROE or designee for Texas A&M. TAMUG approvals for rates above the minimum include the TAMUG HR unit and the COO. The request shall be submitted through administrative channels to the appropriate Vice President for approval and 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.

6.4.2 Excluded Positions

6.4.2.1 Department heads may approve requests for salary rates up to 10% higher than employee’s current salary rate for Texas A&M. Colleges and divisions may require additional budgetary approval above department head. TAMUG approvals for hiring salary adjustments include the TAMUG HR unit and the COO.

6.4.2.2 Requests for rates exceeding those outlined in section 6.4.2.1 must have approval of the appropriate Vice President or Designee. The request shall be submitted through administrative channels to the appropriate vice president for approval and 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. TAMUG approvals must include the TAMUG HR unit and the COO.

6.5 Job-Related Skill Enhancement Pay

6.5.1 SWPP Positions

6.5.1.1 Vice Presidents may approve requests for job-related skill enhancement pay increases up to 10% not to exceed the pay plan maximum for Texas A&M. TAMUG approvals for job-related skill enhancement pay adjustments include the TAMUG HR unit and the COO.
6.5.1.2 Requests for rates exceeding those outlined in section 6.5.1.1 that are in the middle band must have the approval of the appropriate Vice President or designee. Salary recommendations for research titles within the upper band must be approved by the VPR or designee. Request for all other staff titles in the upper band or for all staff titles above the pay plan maximum must have approval of both the appropriate Vice President and the Vice President for HROE. The request shall be submitted through administrative channels to the appropriate Vice President for approval and contain the employee’s name, title and title code, date degree, license or certification was awarded, employee’s current rate of pay, proposed date of increase, proposed salary, and a statement that the employee has provided evidence of mastery such as a degree, certificate, or license for consideration.

6.5.2 Excluded Positions

6.5.2.1 Vice Presidents may approve requests for job-related skill enhancement pay increases up to 10% for Texas A&M. TAMUG approvals for job-related skill enhancement pay adjustments include the TAMUG HR unit and the COO. The request shall be submitted through administrative channels to the appropriate vice president for approval and contain the employee’s name, title and title code, date degree, license or certification was awarded, employee’s current rate of pay, proposed date of increase, proposed salary, and a statement that the employee has provided evidence of mastery such as a degree, certificate, or license for consideration.

7. MERIT SALARY INCREASES AND MERIT PAYMENTS

7.1 Criteria for awarding one-time merit payments are included in University Rule 31.01.01.M5, Flexible Compensation Programs; and SAP 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 “meets expectations” or higher overall rating, 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.

7.6 In the case of staff employees in SWPP titles who are paid close to or above the maximum, it is strongly encouraged to provide one-time merit payments to such individuals in lieu of percentage merit increase to base salary. Merit increases provided to employees that are above the SWPP maximum will be tracked and reviewed annually, and may be subject to additional justification and approval.

7.7 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 above. 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.)

7.8 Employee completion of required training courses may be used as an additional criteria for merit increase eligibility.

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.

8.2 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 an academic summer session will not exceed the base salary rate paid to the employee for the same or similar services during the preceding longer academic session. Additional compensation may be paid to staff members for teaching courses outside of their primary position, for teaching extension center courses, for teaching continuing education courses, and for work outside the scope of their regular job responsibilities.

9.2 Additional compensation may be paid to employees who perform additional, non-instructional work beyond their normal job responsibilities. (Refer to SAP
9.3 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 Staff employed on an annual salary basis are paid in monthly installments. Staff employed on an hourly basis are paid an hourly rate on a biweekly pay schedule as determined by payroll processing calendars.

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. Biweekly payments are typically paid on Fridays, every other week, in accordance with payroll processing calendars.

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 Workday system and other related budget or accounting systems/databases.

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 SAP 33.99.01.M0.01, Recruiting and Selection 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 and Organizational Effectiveness, Classification & Compensation at (979) 845-4170 or by email at hrcomp@tamu.edu.

OFFICE OF RESPONSIBILITY  Human Resources and Organizational Effectiveness