

**3349-7-20 Compensation program.****(A) Purpose**

(1) To establish a compensation program rule.

**(b) Scope**

This rule applies to administrative staff, unclassified hourly employees, and classified civil service employees.

**(c) Definitions**

(1) Consult rule 3349-7-01 of the Administrative Code.

(2) “Classification system” is a method of systematically organizing job families.

(3) “Compensation program” is a method of systematically organizing the pay grades.

(4) “Job families” are groups of positions with similar duties with varying levels of responsibility, authority, qualifications and pay grades.

(5) “Compensation plan” (the “plan”) is a method of systematically determining employee compensation.

(6) “Pay grades” are a continuum of salaries from minimum to maximum. Assignment within a pay grade is the responsibility of the director of human resources.

**(d) Rule statement****(1) Compensation program**

(a) The factors used to determine the assignment of a position to a given pay grade and placement within that pay grade include, but are not limited to:

(i) Knowledge and experience;

- (ii) Complexity and creativity;
- (iii) Impact on the university's mission;
- (iv) Budget management and responsibility;
- (v) Supervisory responsibility;
- (vi) Amount of independent judgment exercised; and
- (vii) Physical demands and working conditions.

(2) Annual review of pay grades

- (a) The director of human resources will annually review the pay grades and determine if revisions are necessary. If revisions are necessary, the director of human resources will consult with the vice president for human resources and diversity and the executive management team to make appropriate revisions. The director of human resources will notify the university of these revisions.
- (b) Revisions to the pay grades will be reported to the board of trustees as information at the annual budget meeting.
- (c) The placement of jobs into applicable pay grade will be evaluated annually by human resources.

(3) Compensation plan administrator

- (a) The compensation plan administrator is the director of human resources, who will:
  - (i) Evaluate positions for accurate placement within job families and pay grades;
  - (ii) Maintain a master set of position descriptions;
  - (iii) Maintain the classification system and compensation program; and

(iv) Periodically review and update the classification system and compensation program and recommend revisions to the university.

(4) New positions and new hire offers

(a) Only the appointing authority may issue a binding written offer of employment which includes a compensation amount and a start date. Employment offers may be recommended by the immediate supervisor, but all compensation provided in the offer must be approved by the director of human resources and the vice president of the applicable division.

(b) Requests to evaluate newly created positions will be processed as needed by human resources.

(5) Promotional increases

(a) An employee who is promoted must be brought up to the minimum of the new pay grade. The promotional compensation increase an employee may receive is dependent upon the pay grade difference between the employee's present and new position. The promotion must be approved by the director of human resources and the vice president of the applicable division.

(b) Employees will be notified of the effective date of transfer, new title and rate of compensation by their appointing authority.

(6) Lateral transfer increase

(a) If an employee makes a lateral transfer from one position to another within the same pay grade, this will normally be accomplished without an increase in compensation. Lateral transfers must be approved by the director of human resources and the vice president of the applicable division.

(b) Employees will be notified of the effective date of transfer, new title and rate of compensation by their appointing authority.

(7) Annual compensation increases

(a) The president will, if appropriate and as part of the annual budget for the university, recommend to the board of trustees a compensation adjustment to base compensation and/or a one-time payout for all eligible employees as applicable and as defined in the current compensation plan, based on the employee's classification. Annual merit increases will be based on individual performance and any employee who is on a written performance improvement plan will not be eligible for a merit increase.

(b) Employees whose positions are grant or external contract funded, may not be eligible for such increases based upon available funding.

(c) Employees will be notified of the amount of compensation increase and the effective date of the increase by the director of human resources.

(8) Reduction in compensation related to demotion

Employees who are demoted may have their compensation reduced. The amount of reduction will be determined by the immediate supervisor in consultation with the director of human resources. The employee will be notified of the amount of compensation reduction and the effective date of the reduction by the director of human resources.

(9) Pay in excess of the pay grade maximum

If an employee's rate of compensation is at or above the maximum of the pay grade and if the employee is eligible for an annual compensation adjustment, a dollar amount equivalent to the annual adjustment will be granted as a one-time pay out instead of increasing the employee's base compensation. The pay grades will subsequently be reviewed by the director of human resources to determine if adjustments to the pay grades are necessary.

(10) Position reclassification

When the existing duties and responsibilities of a position are significantly expanded or reduced, the director of human resources, in consultation with the immediate supervisor, will review an amended position description and determine if an employee's rate of compensation or pay grade should be adjusted. The employee's performance level and date of last or next scheduled increase will be considered. The director of human resources will notify the employee of any change in rate of compensation or pay grade.

(11) Compensation concerns

Employees with questions or concerns regarding their rate of compensation should discuss the matter with their immediate supervisor and department head prior to contacting the director of human resources.

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CERTIFIED ELECTRONICALLY

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Certification

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