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## Professional Staff Compensation Program Standards

The Professional Staff Compensation Program Standards are part of, and shall be used in conjunction with POL-PS5540.06 Administration of the Compensation Program for Professional Staff Positions and the PSO Handbook. These Standards support POL-PS5540.06 objectives and are designed to make the objectives more meaningful and effective. This Program is administered by Human Resources in conjunction with the PSO Salary and Benefits Committee and the Vice Presidents.

### Definitions

CUPA: The College and University Professional Association annual compensation survey provides Human Resources with market compensation survey data from colleges and universities across the United States.

PayFactors: This third party compensation data management tool provides market compensation survey data and data analytics to Human Resources. PayFactors serves as an independent third party Certified Compensation Professional consultation service for Human Resources.

State HR Classifications: Human Resources also administers Washington State Human Resources' (State HR's) Compensation Program. Human Resources utilizes State HR's compensation and classification data and information as part of its annual and ongoing compensation review process in accordance with these Standards.

YIP (Years in Position): Individual employees are placed within their position's market range based upon the number of years of relevant experience they have in their current position ("YIP"). The determination of an employee's YIP is made by Human Resources in accordance with these Standards at the time of hiring or at the time an employee takes on a new position.

Base Salary: An employee's base salary is the employee's salary without the inclusion of Temporary Pay Increases, compression/inversion adjustments, or merit pay adjustments.

## PROGRAM OBJECTIVES

- Attract, retain and engage employees that contribute to Western's excellence.
- Provide a compensation program that is:
  - Market-based
  - Equitable
  - Transparent
  - Adaptable
  - Administered in a consistent, reliable, and timely manner
- Incorporates market, internal alignment, merit, and experience.

## PROFESSIONAL STAFF POSITION DESCRIPTIONS

Each Professional Staff position has a position description on file with Human Resources that describes its duties and responsibilities. Human Resources uses the position description to determine the position's specific exemptions from Civil Service Law, the Fair Labor Standards Act (if applicable), and compliance with the Americans with Disability Act.

A copy of the current position description is accessible to the employee on request from their supervisor or Human Resources. A position review to make changes to a position's working title or a position's duties and responsibilities can be initiated at any time by the employee or the supervisor. An annual discussion of the position's duties and responsibilities is conducted as part of the employee performance evaluation. If significant changes to the position have occurred, an updated position description shall be submitted to Human Resources for a position review.

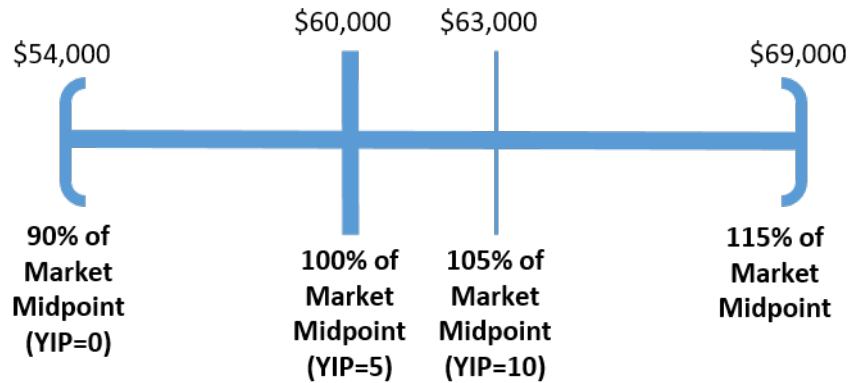
## DETERMINATION OF MARKET RANGES FOR PROFESSIONAL STAFF POSITIONS

Each Professional Staff position has an individual market range that is determined by the position's duties and responsibilities, market data, and internal alignment.

The midpoint of the market range (market midpoint) represents the midpoint of the value of the position in Western's relevant market. Data sources used in determining the market midpoint include CUPA and PayFactors. Other relevant data sources may be used including State HR's classification system.

Once the market midpoint is established, the low of the market range is set at 90% of market midpoint and the high of the market range is set at 115% of market midpoint.

**Figure 1: Example of a Market Range**



Human Resources conducts an annual review of market ranges. This annual review follows a three-step approach:

- First, similar to when a new market range is established, Human Resources analyzes CUPA and PayFactors data, as well as State HR classifications and other relevant data sources on an as-needed basis, to calculate preliminary market midpoints for all positions.
- Next, Human Resources internally aligns the market midpoints by aligning positions against similar positions within Western at the unit, subdivision, division, and University level. Internal alignment of each position takes into account a number of factors including, but not limited to, the position's duties and responsibilities; the position's leadership, budgetary, fiscal, and supervisory responsibilities; the subject matter expertise required for the position; and the scope, level, complexity, and impact of the position at the unit, subdivision, division and University level.
- Once internal alignment is complete and the market midpoints are set, Human Resources establishes each position's market range for the upcoming fiscal year.

The results of the annual market range review and adjustments are shared with the Professional Staff Organization's (PSO) Salary and Benefits Committee (SBC), and the Vice Presidents.

#### PROFESSIONAL STAFF YEARS IN POSITION (YIP)

Individual employees are placed and moved through their market range based in part on their YIP.

Each YIP year represents a percentage of the market midpoint of the market range (see Table 1, below). All employees are credited with an additional YIP year each July 1<sup>st</sup>, contingent upon the employee meeting the performance standards of their position.

**Table 1: Year-in-Position Markers in the Market Range**

YEARS IN POSITION	STANDARDS FOR MARKET RANGE BASELINES
<p><b>Year 0 to Year 5 (90-100% of midpoint of market range)</b></p>	<ul style="list-style-type: none"> <li>• Employees who are new to the position and/or learning the position.</li> <li>• Between Year 0 and Year 5, employees who meet performance standards will receive an increase of 2% of the market range midpoint per year until the employee reaches 100% of the midpoint of the market range.</li> </ul>
<p><b>Year 6 to Year 10 (101-105% of midpoint of market range)</b></p>	<ul style="list-style-type: none"> <li>• Between Year 6 and 10, employees who meet performance standards will receive an increase of 1% of the market range midpoint per year until the employee reaches 105% of the midpoint of the market range.</li> </ul>
<p><b>Beyond Year 10 (106%-115% of midpoint of market range)</b></p>	<ul style="list-style-type: none"> <li>• Employees who consistently contribute to their unit and meet performance standards, provide critical talent, historical institutional knowledge, and professional maturity beyond Year 10 may receive, in addition to the annual market adjustment, other compensation adjustments to their base pay as recommended by their supervisor and supported by their Vice President and Human Resources. Adjustments must retain the employee within their market range.</li> </ul>

## NEW HIRES

Human Resources determines offer salaries for all employees new to Western as well as current employees entering into a new position, moving from temporary to permanent status, accepting an appointment, or otherwise transitioning their job status in a significant way. A new hire's YIP is used to place the new hire into their position's market range. Additional considerations, such as recruitment challenges and external market conditions, may be taken into account along with the new hire's YIP when placing the new hire into their market range. If additional considerations are applied to a new hire, Human Resources will review similarly situated Professional Staff positions and, if necessary, may adjust these market ranges and employees' compensation to maintain internal alignment with the new hire.

## INDIVIDUAL EMPLOYEE SALARIES AND COMPENSATION ADJUSTMENTS

### Annual Salary Adjustments

Once the annual market range review is complete, Human Resources makes an annual compensation adjustment for all Professional Staff. This adjustment is calculated based on an employee's base salary and is typically effective July 1.

Human Resources applies a two-step process to calculate the employee's annual compensation adjustment:

1. **Overall Market Adjustment:** An overall market adjustment is added to the employee's base salary. The market adjustment is a percentage adjustment for Professional Staff employees who have met the performance standards of the position. The overall market adjustment is based upon CUPA's determination of how much the overall national salary market shifted during the previous year.
2. **YIP Adjustment:** Once the overall market adjustment is completed, an employee is brought to their YIP marker within their market range (percentage of market midpoint).

In addition to the two-step salary adjustment, Human Resources reviews all Professional Staff supervisor and employee salaries for compression and inversion. Compression and inversion between employees is also reviewed on a case-by-case basis. Compression/inversion adjustments made in prior years are reviewed annually and are not permanent. Inversion occurs when an employee's salary is higher than that of their supervisor. Compression occurs when an employee's salary is equal to or greater than 95% of their supervisor's salary. Determinations are made on a case-by-case basis as to whether to relieve instances of compression and inversion.

Once the two-step annual compensation adjustment is made to the employee's base salary, and the compression/inversion review is completed, any existing Temporary Pay Increases and merit pay adjustments receive an inflationary increase and are added back into the employee's adjusted base salary.

### **Other Salary Adjustments**

In addition to the annual compensation adjustments effective July 1, other salary adjustments may occur during the fiscal year.

Salary adjustments may be made to address one or more of the following:

- **Position review within current position**

When a permanent and substantial change in a position's duties and responsibilities is made, an employee and/or supervisor may request a position review to determine whether the position's market range has changed. Human Resources will review the position and will adjust the position's market range if necessary. In the event that the market range is adjusted, Human Resources will determine the employee's placement within the adjusted market range and, if appropriate, make a compensation adjustment to the employee's salary. A working title change may occur as a result of this review. The review will be retroactive to the date it was submitted to HR.

- **Promotion to a higher level position**

An employee's promotion to a separate and distinct higher-level position, defined as a position which has a market range midpoint higher than the employee's current market range midpoint, will result in a 5% compensation adjustment for the employee. An employee may receive more than a 5% compensation adjustment based upon their

placement in their new market range under these Standards. The employee's promotion may occur through a competitive recruitment or another identified promotional process. A change to working title or payroll title only is not a promotion.

- Retention/Merit

To retain highly skilled employees, a salary adjustment may be made by Human Resources when the adjustment is made in compliance with these Standards.

- Internal alignment

When an internal alignment issue arises, Human Resources may conduct a review of the impacted positions and may make salary adjustment(s) in compliance with these Standards.

### Temporary Pay Increases

Temporary pay increases (TPIs) are provided for when an employee engages in significant duties and responsibilities outside the scope of their permanent position for more than ten (10) working days with a required end date to the performance of the additional duties. TPIs are intended for situations in which an employee's duties and responsibilities have been significantly impacted due to unique circumstances, rather than circumstances where an employee's duties and responsibilities have been impacted due to recurring or routine circumstances, such as in instances of recruitments or cyclical increases in workload.

TPIs are typically between five (5%) and ten percent (10%) of an employee's salary and may be a one lump sum payment or a percentage increase to an employee's salary.

When determining a temporary pay increase, Human Resources Compensation/Classification (HR Comp) considers factors such as:

- If the employee is temporarily carrying over existing duties to a new position or if the employee is temporarily adding duties to their current position;
- If the change in duties is a significant/substantial change to the employee's position;
- The scope, level, and breadth of the temporary duties;
- The percentages of time spent on the temporary duties versus the duties of the permanent position;
- The reportage of the position (if there is a change);
- The capacity in which the employee will remain in their permanent position;
- The length of time of the temporary appointment;
- The number of hours over the standard work week that the employee will be expected to work during the temporary appointment;
- Other relevant factors to the employee's situation.

A request for a compensation adjustment for an interim appointment or administrative supplement must be submitted via email to the Class/Comp Manager and must include the duties and responsibilities associated with the interim appointment/administrative supplement and the requested adjustment to the employee's salary. The Class/Comp Manager will discuss the compensation

adjustment with the position's supervisor as well as other University administration as needed. The Class/Comp Manager will then make a determination of the compensation adjustment and will notify the supervisor and relevant University administration via email. The supervisor will attach the email to a PA for processing.

*Terminating Employment:* Employees leaving employment at Western will receive compensation adjustments for which they are eligible, based on these Standards, through the last day of their employment.

#### STATE FUNDING CONTINGENCIES

Western is committed to supporting its Professional Staff employees and fully funding these Standards. Annual adjustments are contingent upon State funding. In rare circumstances, when State funding constrains Western's ability to fully fund these Standards, Western's administration will work with the Professional Staff Organization Executive Committee to discuss options and priorities.

*Approved by President Sabah Randhawa on July 16, 2018.*