



Policy Title	Salary Administration Policy
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Responsible Office	Human Resources
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## 1. Policy Purpose Statement

Kennesaw State University (KSU) is committed to providing a staff salary program in compliance with all applicable laws and regulations that ensures fair and equitable pay to attract and retain a qualified, diverse workforce at all levels. Compensation decisions are made objectively pursuant to this policy without consideration of a person's race, color, religion, sex (including pregnancy, gender identity, and sexual orientation), national origin, age, disability, veteran status, marital status, or genetic information. This policy outlines staff salary administration and is not intended to be a contract of employment, expressed or implied, between any employee and Kennesaw State University.

## 2. Background

This KSU Salary Administration Policy is created to comply with federal and state laws, and University System of Georgia (USG) policies regarding compensation.

## 3. Scope (Who is Affected)

All regular and temporary staff.

## 4. Exclusions or Exceptions

While some terms, definitions, and policies are common to all KSU employment categories, this policy does not apply to faculty, student, or contractor employment and compensation.

## 5. Definitions and Acronyms

**Compensation/Salary Structure:** A way of describing a series of pay grades. It is also a summary of various pay grades and the jobs they represent along with their market determined Minimum, Midpoint and Maximum salaries. Minimum pay is the lowest point in the pay range indicating the lowest anyone in that job function can be paid for the same job. Maximum pay is the highest point in the pay range indicating the highest anyone in that job function can be paid for the same job. Mid-point is the exact middle of a pay range.

**Demotion:** Occurs when an employee moves from a position in a higher pay grade to another position in a lower pay grade.

**Fair Labor Standards Act (FLSA):** Establishes minimum wage, overtime pay, recordkeeping, and child labor standards affecting full-time and part-time workers.

- Non-exempt employees are those who are subject to the minimum wage and overtime pay provisions of the FLSA.
- Exempt employees are those who are not subject to FLSA minimum wage and overtime provisions.

**Job Evaluation:** The process of analyzing and assessing various jobs systematically to determine their relative worth in an organization, based on a consistent set of job and personal factors, such as qualifications and skills required.

**Lateral Transfer:** Occurs when an employee transfers into a new position within the same pay grade.

**Position classification:** The process of creating a new job to allow KSU departments to achieve their strategic goals. This process involves developing a position/job description, reviewing the position to determine if it can fit an existing job title, and reviewing the position description to determine its pay grade assignment.

**Promotion:** Occurs when an employee moves from a position in a lower pay grade to another in a higher pay grade. A promotion typically involves a higher level of responsibility within the organization.

**Reclassification:** Involves the classification of an existing position into a new job title and/or pay grade due to significant changes in job content.

## 6. Policy

Human Resources (HR) is responsible for the administration of KSU's salary program where each employee is placed in a job classification which accurately reflects the responsibilities and is paid within the established pay range for the job. All salaries are subject to budgetary authorization and funding limitations pursuant to the USG Wage and Salary Administration Policy. Adjustments to the structure are effective upon presidential approval.

Salary and wage adjustments will generally be awarded to employees at KSU upon promotion to a higher-level position; upon reclassification to a higher-level position; when an equity, market, or administrative adjustment is deemed necessary; and on an annual basis provided performance warrants the adjustment and funding is available. For all compensation and pay grade changes, Human Resources and department leadership will collaborate to develop an appropriate salary recommendation based on factors such as an employee's skill, knowledge, experience, and performance; criticality of the role; and budget and market data. All adjustments are contingent upon available funding and must be approved by Human Resources. Supervisors must not commit to any change in salary or compensation of an employee without appropriate departmental, Institution, or USG level approval.

### Incentive Programs

Kennesaw State University may establish incentive compensation programs consistent with state law, USG policy, and applicable procedures. However, institutional incentive compensation programs must be reviewed and approved by the USG's Office of Human Resources.

### Salary Structure

KSU maintains a salary structure into which all job titles are placed. Each grade in a structure has a pay range that specifies the minimum, midpoint, and maximum allowable for all positions assigned to that grade. The ranges are presented in hourly and annual figures.

KSU will compensate every employee at a rate/salary that is at or above the minimum of their job pay grade. The minimum of a pay range is generally appropriate for a newly hired employee with minimal or no experience.

The maximum of a pay range represents the highest pay rate that KSU considers appropriate for employees with extensive experience and a demonstrated record of strong performance.

### **New Hire Salaries**

Human Resources provides guidance to hiring departments to ensure that starting salaries offered to candidates are based on the applicant's prior and relevant experience, skills, and education directly compared to other employees in similarly situated positions at KSU and within the University System of Georgia.

All new hires (both internal and external) must start at no less than the minimum of the salary range of the pay grade for the position into which they have been hired. All starting salaries must be approved by Human Resources.

### **Merit Adjustments**

Merit increases, when funded by the state legislature, may be provided to employees in recognition of individual performance in their position. Merit increases are typically authorized at the beginning of a fiscal year and are subject to salary limitations and guidelines established each fiscal year. Increases reflect each employee's performance as evaluated by their supervisor and will generally be distributed on a percentage basis as determined by USG guidance. Merit increases that exceed the range established by the USG salary administration statement must be documented on an individual basis and must have presidential approval based on that year's merit process.

### **Promotions**

A promotion occurs when an employee moves from a position in a lower pay grade to a position in a higher pay grade. A promotion may also occur when an employer moves an employee up in the hierarchical levels within an organization. A promotion typically allows an employee to progress to a higher position, a higher level of responsibility and higher levels of authority within the organization.

Promotional opportunities must be posted to ensure all qualified applicants have the opportunity to apply. Exceptions to this may include the placement of individuals whose positions may have been eliminated as part of a reduction in force into substantially similar or the same vacant role elsewhere in the university.

Newly promoted or hired employees are ineligible for a subsequent promotion or a lateral move until they complete six (6) months of continuous service in that position. Exceptions to this are:

- The promotion or lateral move is within the employee's current department/unit.
- The individual's current work is to be curtailed.
- All available employees with at least one year of service have been considered and rejected for the position.
- Situations in which the leadership of two units mutually agree to a transition to the benefit of KSU.

### **Reclassifications**

A reclassification involves the classification of an existing position into a new job title and/or pay grade due to a significant change in job content. This change must be based on more than an increase/decrease in work volume and pace or the addition/deletion of minor duties. A reclassification may result in the placement of a position in a higher, lower or the same pay grade.

### **Lateral Transfers**

A lateral transfer occurs when an employee transfers into a new position within the same pay grade. Lateral transfers can be internal or external to the current department. Depending on the situation, a lateral transfer may or may not result in a pay change.

### **Demotions and Pay Decreases**

A demotion occurs when an employee moves from a position in a higher pay grade to another position in a lower pay grade. The demotion may be employee or employer initiated.

When a demotion results from an employee request, disciplinary action, work performance, or ability issues, the employee's salary should be reduced by an appropriate amount based on the pay grade change. Compensation increases are not permitted with a demotion.

When a demotion results from a management-initiated reorganization or the elimination of the employee's position due to lack of funding, the employee's rate of pay/salary may remain unchanged, depending upon factors such as internal equity and departmental budget constraints. The rate of pay resulting from the demotion may not exceed the maximum of the new pay grade.

Departments are required to consult with their designated Human Resources Business Partner before initiating any demotion.

### **Temporary Additional Pay**

Reassignments as described in this policy shall normally be for no less than one month and no more than twelve months and shall only occur when the responsibilities being undertaken by the employee are those of another position that is vacant or because of temporary sufficient change in the duties and responsibilities of a filled position. A temporary pay increase may be made when a significant change in duties and responsibilities occurs. Such pay increases may only be made if funding is available.

- **Acting appointments:** Typically occur when 'Administrator' is absent or reassigned for a short period of time (usually 3 months or less). The absent administrator retains the responsibility of their position but delegates the authority to the 'acting' person.
- **Interim appointments:** Typically occur when an 'Administrator' resigns, and a replacement is sought or if an administrator is absent for a long period of time (usually exceeding 3 months). The 'Interim' person has both the authority and responsibility of the office.
- **Temporary Assignment:** Duties are assigned on a short-term basis for a specific purpose.

Acting/Interim pay increases must have support of the appropriate vice president/Cabinet member before being processed by Human Resources.

### **Advanced Increase Request**

Certain salary changes require approval by the (USG) and will take additional time for review. Any salary change that results in all three of the following must be submitted to the USG for approval:

- More than 10% change within the fiscal year,
- A final salary over \$100,000.00, and
- A final salary over the midpoint of the pay range.

### **Special Salary Adjustments**

A department head may request a special salary adjustment for an employee for any of the following reasons (This list is not exhaustive.):

- to address an internal equity concern,
- to place an employee's salary more appropriately in the salary range,
- to recognize the assumption of significant new duties due to the elimination of a job,
- to address a significant increase or change to job duties, or
- to recognize some extraordinary accomplishment or major achievement.

Special salary adjustments are rare and must be reviewed and approved by Human Resources, the appropriate vice president/Cabinet member, and the President.

### **Retention Offers**

Occasionally, in an effort to retain a valued employee/staff member, a department may submit a retention offer request to its designated Human Resources Business Partner when an employee receives an external offer of employment. A retention offer is intended to counter the external offer, assuming the offer is for essentially the same position in which the employee is in at KSU. Retention offers require the approval of the Chief Human Resources Officer (CHRO) and the appropriate vice president/Cabinet member.

Retention offers do not apply to internal offers of employment within Kennesaw State University.

## **7. Associated Policies/Regulations**

- [USG Human Resources Administrative Practice Manual, Classification, Compensation, and Payroll: Position Classification](#)
- [USG Human Resources Job Classification](#)
- [USG Human Resources Job Classification BCAT Crosswalk](#)
- [USG Human Resources Administrative Practice Manual, Classification, Compensation, and Payroll: Promotions](#)
- [USG Human Resources Administrative Practice Manual, Classification, Compensation, and Payroll: Wage and Salary Administration Policy](#)
- [Board of Regents Policy Manual, Section 8.3.12, Compensation](#)

## **8. Procedures Associated with this Policy**

Step-by-step procedures for each type of pay change can be found on the compensation website at <https://compensation.kennesaw.edu/>. Additional procedures follow.

### **Incentive Programs**

Any college or division wishing to begin or update a unit specific incentive program should contact their HR Business Partner who will work with the Compensation team to ensure the incentive program meets all requirements of the University System of Georgia Incentive Policy.

### **Promotions**

Promotional increases are generally a salary adjustment between 5 and 20%, dependent on the number of pay grades between the two roles. There is a five percent (5%) difference between each pay grade, so if a promotion involves moving up two pay grades, then the recommendation would be that the promotional increase be 10%.

#### **Externally Posted Promotions**

If a promotion results from an 'External' posting where a current employee competes against external applicants and is selected as the final candidate, the employee's rate/salary offer will be based on new hire salary guidelines.

#### **Internally Posted Promotions**

Promotions that result from an 'Internal' posting or reorganization when a current employee competes against internal KSU applicants only and is selected as the final candidate, the employee's rate/salary offer will be based on the new hire salary guidelines, however, a 20% cap will be applied. Exceptions to the promotional cap can only be approved the Chief Administrative Officer (CAO) in consultation with the CHRO and cabinet member.

### **Reclassifications**

A reclassification increase is generally 5% per grade salary adjustment, not to exceed four paygrades and/or 20%, assuming the candidate's job experience justifies the increase. Reclassifications that fall outside of the 5-20% adjustment must be approved by the CAO in consultation with the CHRO.

### **Lateral Transfers**

The chart below provides additional information for the corresponding policy section.

<b>Change</b>	<b>Internal Posting</b>	<b>External Posting</b>
Lateral transfer (same role)	No pay change	No pay change
Lateral transfer (different role)	20% cap	Use external hire guidelines
Promotions	20% cap	Use external hire guidelines

### **Demotions**

Demotions must be authorized by the appropriate vice president/Cabinet member, dean, director, or department head before processing by the Compensation Department.

### **Temporary Additional Pay**

Acting and Interim appointments must be for a minimum of thirty (30) days and should not exceed twelve (12) months. These will generally be approved for 60 to 90 days at a time.

A pay increase for Acting and Interim appointments and temporary assignments is the higher of either 10% of the monthly salary of the incumbent in the role or the minimum of the salary range for the position for which the Acting or Interim appointment is made. At the conclusion of the interim

assignment, the job may be posted internally and/or externally according to posting guidelines in the Talent Acquisition Policy.

With approval from the CHRO and applicable vice president/Cabinet member, a greater amount may be awarded in special instances. The employee's original salary will be reinstated when the Acting or Interim appointment is completed.

Procedure for Acting and Interim Assignments can be found under Adjustments in Pay on the HR/Compensation website.

### **Pay Approval Form**

The Compensation Department will obtain written approval for compensation changes using the Supplemental Pay Approval Form and once completed, will forward the form to the department for inclusion with the Manager Self Service (MSS) transaction.

### **9. Forms Associated with this Policy**

As required by policy, regulation, or procedure.

### **10. Violations**

Individuals in violation of this policy are subject to a range of sanctions, including, but not limited to, disciplinary action, dismissal from the University, and/or legal action.

### **11. Review Schedule**

Human Resources will review the Salary Administration Policy annually.