Pay and Salary Setting
HR-03-30

About This Policy

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Responsible University Administrator:
Vice President and Chief Human Resources Officer

Policy Contact:
IU Human Resources
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Scope

This policy applies to all staff and part time positions.

Policy Statement

1. Indiana University pledges itself to continue its commitment to the achievement of equal opportunity within the university and throughout society as a whole. In this regard, Indiana University will recruit, hire, promote, educate, and provide services to persons based upon their individual qualifications. All individuals who apply for employment, promotion, or transfer are given equal consideration regardless of their protected characteristics listed in UA-01, Non-Discrimination / Equal Opportunity / Affirmative Action.

2. It is the policy of Indiana University to pay all employees accurately and to remedy any errors in a timely manner consistent with Indiana law (IC 22-2-6-4) by:
   a. Clearly communicating its policy prohibiting improper deductions, including a complaint mechanism.
   b. Reimbursing employees for any improper deductions in a reasonable time frame.
   c. Making a good faith commitment to comply in the future.

3. The university retains the right to eliminate, change, and establish framework pay levels. In the event a new position is established or an existing position progresses within the same job function and job family, the campus human resource office shall classify the position within the job framework which identifies an appropriate range of pay.

4. No supervisor or administrator may communicate or extend an offer contrary to the university policies related to employment, compensation, or benefits, nor imply or state that a contract has been created between the university and the current or future employee before the necessary approvals have been obtained. Only the president or vice presidents may offer employment contracts.

5. Principles applicable to all decisions:
   a. The classification level and pay range of the position’s job level
   b. The candidate - employee’s job-related qualifications
   c. The employee’s performance
   d. Pay of current employees in the same job or comparable jobs at IU; depending on the position, this includes comparable jobs within the department, the campus, RC, or the university
   e. The RC’s fiscal status
   f. External market considerations for similar work in the relevant labor market segment based on geographical considerations (local, state, regional, or national) and type of employer (public, private, or higher education)
6. The maximum of a pay range represents a wage that is significantly above average competitive salary. As such, it is reserved solely for exceptional performers who continually make significant contributions to the university.

7. Employees should not receive a wage that exceeds the maximum for the assigned pay range. This is necessary to preserve the integrity of the wage structure.

8. The applicant or employee shall not be notified of the pay/salary action until the Responsibility Center (RC) and any required campus approvals have been obtained.

9. Employees who meet minimum job qualifications should receive at least the minimum of the range.

Procedure

The following procedures apply to all staff employee groups:

1. The campus human resources office provides consultative advice and assistance for pay and salary-setting decisions at any point in the processes described below.

2. Campus human resources is the final reviewer of the eDoc that will update the employee’s HRMS record.

3. In determining a starting wage for a staff employee, managers should consider the elements listed under the Policy Statement above and include all of the following:

   a. A new hire wage that creates an internal inequity should be carefully considered, including a strategy or plan for remedying the inequity with other employees. Such a remedy should be approved by campus HR before offering the pay/salary to the new hire.

   b. Any Department of Labor (DOL) minimum salary that would apply to certain visa holders.

4. Career progression must comply with Position Placement Within the Job Framework (previously Position Classification/Reclassification).

5. A salary decrease may be appropriate if a lateral transfer is initiated by the employee for personal or career development reasons, or as a result of choosing another position because of a reduction in force, and results in an internal equity issue with the unit. Such decreases must be approved by campus HR.

6. Certain job-related certifications needed to advance within a profession may result in a pay increase adjustment but are not explicitly required by policy. A formal certification pay adjustment program should be approved and on file with the campus human resources office prior to the submission of any related salary adjustments.

Non-Exempt CWA

New Hires:

1. For Non-Exempt CWA positions:

   a. A starting wage set in the first quartile of the pay range (minimum to 25th percentile) requires that the new employee's qualifications meet or exceed the minimum qualifications for the position.

   b. A starting wage at or near the pay of current incumbents in the same or comparable jobs will not be supported unless the new employee's qualifications are comparable to those of the current incumbents.

   c. A starting wage may be set up to the top of the third quartile (75th percentile). This requires that the new employee's qualifications are exceptional. Departments will provide justification upon request to the campus human resources office to start a new hire's wage above the top of the third quartile.

   d. Required approvals:

      i. A starting wage in the first quartile (minimum to 25th percentile) requires written approval from the following:

         1. The department head
         2. The RC head for Bloomington positions
         3. The campus human resources office for Northwest positions
ii. A starting wage between the first quartile and the top of the third quartile (75th percentile) requires written approval from the following:
   1. The department head
   2. The RC head for Bloomington positions
   3. The campus human resources office

Career Evolution

1. Successful career mobility for employees may be accomplished through any of the following role transitions:
   a. Progression Within Position: Occurs when an employee takes on additional responsibilities within the same position. These responsibilities may result in an HLR and classification to the same role descriptor or career progression to a role descriptor with a different career level within the same job function and family, with or without a salary adjustment.
   b. Transfer – Promotion: Occurs when an employee transfers from one position to another position that is assigned to a higher career level. The job function and family may be the same or different in the new position. Typically results in a salary change.
   c. A salary that creates an internal inequity should be carefully considered, including a strategy for remedying the inequity with other employees.
   d. The increase will not exceed the maximum of the new salary range.
   e. Is at least comparable to the salary level that would be paid to a new hire with equivalent qualifications
   f. For Non-Exempt CWA covered positions:
      i. The salary increase amount should also include the following criteria:
         1. Adequately recognizes the assumption of higher level responsibilities
         2. Is consistent with the promotional increases provided to other employees under comparable circumstances
         3. Considers the individuals qualifications of the position
      ii. A salary set in the first quartile of the salary range requires that the employee’s qualifications meet or exceed the minimum qualifications for the position.
      iii. A salary set in the middle of the salary range requires that the employee’s qualifications are exceptional.
      iv. The minimum increase should be five percent (5%) or the minimum of the new salary range, whichever is higher.
      v. In limited circumstances, a minimum salary increase may be less than five percent (5%) if the increase would create internal inequity within the unit and if the employee pursuing career progression or promoting gives their consent.
      vi. The maximum increase is to the same relative position within the new salary range (i.e. the percentage difference between the pay ranges involved) or up to the third quartile of the new range, whichever is higher.
   g. Transfer – Lateral: Occurs when an employee transfers from one position to another position that is assigned to the same career level. The job function and family may be the same or different in the new position. Typically does not involve a major change in level of responsibility or job scope. Salary change stipulations are as follows:
      i. When the transfer is voluntary, this may result in a salary decrease.
      ii. When the transfer is initiated by management, this will not result in a salary change.
   h. Transfer – Demotion: Occurs when an employee transfers from one position to another position that is assigned to a lower career level. The job function and job family may be the same or different in the new position. May also occur when a department restructures the duties and responsibilities of a position.
resulting in a classification to a lower career level. May or may not result in a salary change per the
stipulations below:

i. When an employee is transferred to a position due to performance, qualifications, or corrective action,
typically results in a reduction in pay.

1. For CWA covered employees, typically, the maximum decrease is to the same relative position
within the salary range (i.e., the percentage difference between the pay ranges involved).
   a. A decrease greater than the same relative position may be applied subject to approval by the
campus human resources office to address internal equity with other employees within the
unit performing the same or similar work and having similar skills.

2. When an employee voluntarily applies for or chooses another position, including when the
employees applies as a result of a Reduction in Force, typically results in a reduction in pay.
   a. For CWA covered employees, typically, the maximum decrease is to the same relative position
within the salary range (i.e., the percentage difference between the pay ranges involved).
      i. A decrease greater than the same relative position may be applied subject to the
employee’s agreement and approval by the campus human resources office to address
internal equity with other employees within the unit performing the same or similar work
and having similar skills.

2. Managers and supervisors are expected to consider employees for open positions within their own departments
and to allow them to seek opportunities in other departments. An atmosphere conducive to exploring career
transitions must be maintained.
   a. The university encourages staff to pursue career development opportunities; therefore, reasonable time
away from the job for IU-provided training and development classes (HR-08-100, Training and Education)
and IU job interviews is permissible. Employees are not required to make up the time or charge it to
accumulated time off.

Higher Level Responsibilities (HLR) Increases:

1. An HLR increase may be appropriate when:
   a. The scope and responsibility of an employee’s position significantly changes within the current career level,
   and
   b. An employee masters new job competencies resulting in significant additional responsibilities within the
current career level.

2. Job changes must be measurable and well-documented:
   a. The rationale for an HLR increase requires written substantiation of the assignment of additional
responsibilities and/or the new job competencies.
   b. The department must provide the campus human resources office documentation of the new responsibilities
and proposed increase for review.

3. For Non-Exempt CWA employees, to be eligible, the employee’s pay should be below the fourth quartile (75th
percentile) of the salary range.

Market Adjustments:

1. A market adjustment is a special, one-time increase to the base pay provided to an employee or employees to
correct a significant deviation from internal equity or external competitiveness.

2. Market adjustments may be appropriate in any of the situations described below. In these situations, the
department may review pay across their organization and may request adjustments for additional individuals
to ensure equity is maintained.
   a. An employee is paid substantially lower in the salary range than other employees with similar qualifications
and comparable years of service in the same job or comparable jobs in the RC or, if appropriate, comparable
jobs at the university.
b. There is significant compression between the employee’s pay and the pay of more recent hires in the same
job within the same department, which results from conditions outside the control of the department head
(e.g., placements through reduction in force or reorganizations).

c. There is significant compression between the employee’s pay and pay of other employees who report
directly to the employee.

d. The rationale for a market adjustment requires written substantiation and analysis of the pay discrepancy
and the internal or external market conditions that led to the discrepancy; and, if applicable, documentation
of any relevant employment offer.

3. The following are guidelines for market adjustments:
   a. A pay adjustment should align with the Guidelines for Mid-Year Pay Adjustments:
      i. Increases requested July-November recommended to be effective with the first January pay period.
      ii. Increases requested December-June recommended to be effective first pay period in July.
   b. Pay adjustments will not be approved retroactively.
   c. No employee will receive more than one pay adjustment outside of budget construction during any twelve-
      month period.
   d. Generally, an employee must have been in the current position for at least six months, and performance
      must be at least at the satisfactory level.
   e. For Non-Exempt CWA employees:
      i. A pay adjustment should not exceed 10% of the employee’s current pay.
      ii. The employee’s pay should be below the midpoint of the range, and the employee should have
          considerable years of service and/or critical experience or skills.
      iii. In determining the amount of the equity adjustment, in addition to those principles listed in the policy
          section, also consider the employee’s placement within the salary range relative to the number of years
          of service.

Procedures for HLR Increases and Market Salary Increases:

1. The department head will obtain approval for the starting salary and the salary adjustments:
   a. For Non-Exempt CWA positions:
      i. Recommendations for a salary adjustment will be initiated and forwarded by the department head, with
         notice to the Responsibility Center for Bloomington positions, and submitted to the campus human
         resources office.
      ii. The campus HR office will review the request and is responsible for the approval of all salary
         adjustments.
         1. For market requests, the respective campus HR office will notify the president of CWA, Local
            4818, for Bloomington and Northwest positions and the Northwest campus CWA vice president
            for Northwest positions, prior to the approval of a salary adjustment, and provide the president an
            opportunity to discuss the request.
      iii. Notification of the result of a requested salary adjustment will be made by and to the following persons:
          1. HR will notify the requesting department head.
          2. Department heads will notify the employee requesting the adjustment.
          3. The department head will notify departmental employees to initiate the paperwork required for
             payroll and budget actions.

Pay Decisions as the Result of Job-Related Certification:

1. Certain job-related certifications needed to advance within a profession may result in a pay increase adjustment
   but are not explicitly required by policy.
2. A formal certification pay adjustment program should be approved and on file with the campus human resources office prior to the submission of any related salary adjustments.

**Non-Exempt AFSCME Police**

**New Hires:**

1. Non-Exempt AFSCME Police employees will be hired at the career level and pay rate that corresponds to their education and experience relative to the minimum requirements in the pay structure for an Entry/Probationary Officer, Patrol Officer, Senior Officer, or Master Officer.

   a. Employees who move into the patrol officer pay structure from another employee group will be set at the career level and pay rate that corresponds to their education and experience relative to the minimum requirements for each level of Patrol Officer.

**Career Evolution:**

1. Successful career mobility for employees may be accomplished through any of the following role transitions:

   a. Progression Within Position: Occurs when an employee meets the education, experience, performance, and other requirements to achieve the next level of Patrol Officer. Each level is tied to the pay matrix and entails an increase in pay.

   b. Transfer – Promotion: Occurs when a Patrol Officer transfers from the officer ranks to a supervisory law enforcement position that is assigned to a higher career level. Typically results in a salary change.

   c. Transfer – Lateral: Occurs when an employee transfers from one patrol officer position to another patrol officer position that is assigned to the same career level. Typically do not involve a major change in level of responsibility or job scope and, as such, do not normally, but may, result in a salary change.

      1. When the lateral transfer is to another campus, the wage will be consistent with the wage schedule for the Police department on the new campus.

   d. Transfer – Demotion: Occurs when an employee transfers from a supervisory law enforcement position to a patrol officer position that is assigned to a lower career level. May also occur when a department restructures the duties and responsibilities of a position resulting in a classification to a lower career level. May or may not result in a salary change.

      a. For AFSCME Police covered positions, an employee who is promoted to a position in the outside of the Officer ranks and then returns to a Patrol Officer position will have their original Patrol Officer occupational unit seniority time reinstated.

2. Managers and supervisors are expected to consider employees for open positions within their own departments and to allow them to seek opportunities in other departments. An atmosphere conducive to exploring career transitions must be maintained.

   a. The university encourages staff to pursue career development opportunities; therefore, reasonable time away from the job for IU-provided training and development classes (HR-08-100 Training and Education Policy) and IU job interviews is permissible. Employees are not required to make up the time or charge it to accumulated time off.

**Higher Level Responsibilities (HLR) Increases:**

1. Non-Exempt AFSCME Police Officers earn a pay rate that corresponds to their education, experience, and performance relative to the minimum requirements in the pay structure for an Entry/Probationary Officer, Patrol Officer, Senior Officer, or Master Officer.

**Market Adjustments:**

1. Non-Exempt AFSCME Police are compensated based on market equity analysis for similar roles. Officers earn a pay rate that corresponds to their education, experience, and performance relative to the minimum requirements in the pay structure for an Entry/Probationary Officer, Patrol Officer, Senior Officer, or Master Officer.
Non-Exempt AFSCME Service

New Hires:

1. For Non-Exempt AFSCME Service positions:
   a. An hourly wage rate up to the salary range midpoint can be established by the campus/unit.
   b. A starting wage rate above the midpoint can be considered for individuals with many years of directly related/transferable experience with approval from IUHR. Internal pay equity should be maintained.
   c. For Apprentice staff, wage rates in years 1 to 4 are equivalent to 75/80/85/90% of the hiring rate established by campus for the respective journey-level job.

Career Evolution

1. Successful career mobility for employees may be accomplished through any of the following role transitions:
   a. Progression Within Position: Occurs when an employee takes on additional responsibilities within the same position. These responsibilities may result in an HLR and classification to the same role descriptor or career progression to a role descriptor with a different career level, with or without a salary adjustment.
   b. Transfer – Promotion: Occurs when an employee transfers from one position to another position that is assigned to a higher career level. The job function and family may be the same or different in the new position. Typically result in a salary change.
      a. For Non-Exempt AFSCME Service covered positions, the wage rate due to the promotion to a higher career level should be based on the employee’s skills and experience relative to the new position and the unit’s fiscal resources.
      b. Increases up to the midpoint or eight (8%) percent may be considered, provided all the below conditions are met:
      c. Employee’s skills and experience exceed the minimum qualifications of the new position;
      d. The increase will not create inequity with other employees in the unit performing same or similar work and having similar skills;
      e. The increase is consistent with the promotional increases provided to other employees within the unit under comparable circumstances;
      f. The new wage rate would not exceed the maximum of the rate for that role descriptor and career level; and
      g. The amount of the increase must be approved by Campus HR
      h. Increases above the midpoint or greater than eight (8%) percent may be considered, provided all the below conditions are met:
         i. The employee’s qualifications relative to the new position are exceptional;
         j. The increase will not create inequity with other employees in the unit performing same or similar work and having similar skills;
         k. The increase is consistent with the promotional increases provided to other employees within the unit under comparable circumstances;
         l. The new wage rate would not exceed the maximum of the rate for that role descriptor and career level; and
         m. The department provides written justification with its request to IU HR for approval
      n. Pay/salary increases due to career progression: An increase should be effective at the start of the pay period following the approval of the new classification.
      o. For Non-Exempt AFSCME Service covered positions at Bloomington, in the event that a position progresses to a higher career level, any new pay/salary increase will be effective from the date the respective department head approves the associated duties.
1. If this effective date is prior to the date the position officially progresses, then the incumbent shall receive a lump-sum adjustment to make up for any difference in base salary.

c. Transfer – Lateral: Occurs when an employee transfers from one position to another position that is assigned to the same career level. The job function and family may be the same or different in the new position. Typically do not involve a major change in level of responsibility or job scope and, as such, do not normally, but may, result in a salary change.

   a. For Non-Exempt AFSCME Service covered employees, when an employee transfers to a job at the same career level, an increase of up to five (5%) percent may be considered if there is a significant difference in the complexity of the duties assigned. All wage increases must be approved by Campus HR and internal pay equity must be maintained.

d. Transfer – Demotion: Occurs when an employee transfers from one position to another position that is assigned to a lower career level. The job function and family may be the same or different in the new position. May also occur when a department restructures the duties and responsibilities of a position resulting in a classification to a lower career level. May or may not result in a salary change.

e. a. When a reorganization or career progression occurs, this may result in a reduction in pay.

   i. For Non-Exempt AFSCME Service covered employees, if a position classification is changed to a job in a lower career level due to reorganization and a change in duties there would typically be no reduction in pay.

      1. If the employee’s pay is outside of the new pay range then the rate will be frozen or “red-circled” until it falls below the pay range maximum. Any annual wage increases will be paid in the form of additional pay (fiscal year supplement, FYS) in bi-weekly installments over the fiscal year.

      2. Any annual wage increases will be paid in the form of additional pay (fiscal year supplement, FYS) in bi-weekly installments over the fiscal year.

      3. An employee with a FYS who changes positions, with the exception of a change to an exempt staff position, during the fiscal year will continue to receive the FYS.

b. Managers and supervisors are expected to consider employees for open positions within their own departments and to allow them to seek opportunities in other departments. An atmosphere conducive to exploring career transitions must be maintained.

   i. The university encourages staff to pursue career development opportunities; therefore, reasonable time away from the job for IU-provided training and development classes (HR-08-100 Training and Education Policy) and IU job interviews is permissible. Employees are not required to make up the time or charge it to accumulated time off.

Higher Level Responsibilities (HLR) Increases:

1. An HLR increase may be appropriate when:

   a. The scope and responsibility of an employee’s position significantly changes within the current career level, and

   b. An employee masters new job competencies resulting in significant additional responsibilities within the current career level.

2. Job changes must be measurable and well-documented:

   a. The rationale for an HLR increase requires written substantiation of the assignment of additional responsibilities and/or the new job competencies

   b. The department must provide the campus human resources office documentation of the new responsibilities and proposed increase for review

3. For Non-Exempt AFSCME Service employees, in-range increases up to 5% may be considered.

Market Adjustments:
1. A market adjustment is a special, one-time increase to the base pay provided to an employee or employees to correct a significant deviation from internal equity or external competitiveness.

2. Market adjustments may be appropriate in any of the situations described below. In these situations the department may review pay across their organization and may request adjustments for additional individuals to ensure equity is maintained.
   a. An employee is paid substantially lower in the salary range than other employees with similar qualifications and comparable years of service in the same job or comparable jobs in the RC or, if appropriate, comparable jobs at the university.
   b. There is significant compression between the employee's pay and the pay of more recent hires in the same job within the same department, which results from conditions outside the control of the department head (e.g., placements through reduction in force or reorganizations).
   c. There is significant compression between the employee's pay and any pay of other employees who report directly to the employee.
   d. The rationale for a market adjustment requires written substantiation and analysis of the pay discrepancy and the internal or external market conditions that led to the discrepancy; and, if applicable, documentation of any relevant employment offer.

3. The following are guidelines for market adjustments:
   a. A pay adjustment should align with the Guidelines for Mid-Year Pay Adjustments:
      i. Increases requested July-November recommended to be effective with the first January pay period.
      ii. Increases requested December-June recommended to be effective first pay period in July.
         a. Pay adjustments will not be approved retroactively.
         b. No employee will receive more than one pay adjustment outside of budget construction during any twelve-month period.
         c. Generally, an employee must have been in the current position for at least six (6) months, and performance must be at least at the satisfactory level.
   b. For Non-Exempt AFSCME Service employees:
      i. Up to a five (5%) percent wage increase may be considered to address internal equity issues.
      ii. Increases must be approved by campus HR, and increases greater than five percent (5%) require IUHR approval.

Procedures for HLR Increases and Market Salary Increases:

1. The department head will obtain approval for the starting salary and the salary adjustments:
   a. For Non-Exempt AFSCME Service positions, recommendations for a salary adjustment will be initiated and forwarded by the department head and submitted to the campus human resources office.
   b. The campus HR office or IUHR, as applicable, will review the request and is responsible for the approval of all salary adjustments.
   c. Notification of the result of a requested salary adjustment will be made by and to the following persons:
      i. HR will notify the requesting department head.
      ii. Department heads will notify the employee requesting the adjustment.
      iii. The department head will notify departmental employees to initiate the paperwork required for payroll and budget actions.

Pay Decisions as the Result of Job-Related Certification:

1. Certain job-related certifications needed to advance within a profession may result in a pay increase adjustment but are not explicitly required by policy.
2. A formal certification pay adjustment program should be approved and on file with the campus human resources office prior to the submission of any related salary adjustments.

Non-Exempt Non-Union and Exempt Employees

New Hires:

1. For remaining appointed staff (Non-Exempt Non-Union and Exempt) employees:
   a. A new hire’s salary above the pay range midpoint should be supported by exceptional skills and experience and needs to be carefully considered for such limited circumstances. Approvals are required from the following:
      i. RC Head
      ii. Campus Fiscal Affairs or UA Unit Fiscal Affairs
      iii. IU HR, only for amounts above the pay range midpoint

Career Evolution

1. Successful career mobility for employees may be accomplished through any of the following role transitions:
   a. Progression Within Position: Occurs when an employee takes on additional responsibilities within the same position. These responsibilities may result in an HLR and classification to the same role descriptor or career progression to a role descriptor with a different career level, with or without a salary adjustment.
   b. Transfer – Promotion: Occurs when an employee transfers from one position to another position that is assigned to a higher career level. The job function and family may be the same or different in the new position. Typically result in a salary change.
   c. Transfer – Lateral: Occurs when an employee transfers from one position to another position that is assigned to the same career level. The job function and family may be the same or different in the new position. Typically do not involve a major change in level of responsibility or job scope and, as such, do not normally, but may, result in a salary change.

2. Transfer – Demotion: Occurs when an employee transfers from one position to another position that is assigned to a lower career level. The job function and family may be the same or different in the new position. May also occur when a department restructures the duties and responsibilities of a position resulting in a classification to a lower career level. May or may not result in a salary change.

3. Managers and supervisors are expected to consider employees for open positions within their own departments and to allow them to seek opportunities in other departments. An atmosphere conducive to exploring career transitions must be maintained.
   a. The university encourages staff to pursue career development opportunities; therefore, reasonable time away from the job for IU-provided training and development classes (HR-08-100 Training and Education Policy) and IU job interviews is permissible. Employees are not required to make up the time or charge it to accumulated time off.

Higher Level Responsibilities (HLR) Increases:

1. An HLR increase may be appropriate when:
   a. The scope and responsibility of an employee’s position significantly changes within the current career level, and
   b. An employee masters new job competencies resulting in significant additional responsibilities within the current career level.

2. Job changes must be measurable and well-documented:
   a. The rationale for an HLR increase requires written substantiation of the assignment of additional responsibilities and/or the new job competencies
   b. The department must provide the campus human resources office documentation of the new responsibilities and proposed increase for review
3. For Non-Exempt Non-Union and Exempt employees, HLR increases may be considered per the process outlined in Guidelines for Mid-Year Pay Adjustments and the published annual budget guidelines related to salary policy for the current fiscal year.
   a. For Non-Exempt Non-Union and Exempt staff, nothing in this policy provision is intended to prohibit an in-range deduction in pay. Such an action could be considered when there is a significant reduction in responsibilities that is measurable and well-documented.

**Market Adjustments:**

1. A market adjustment is a special, one-time increase to the base pay provided to an employee or employees to correct a significant deviation from internal equity or external competitiveness.

2. Market adjustments may be appropriate in any of the situations described below. In these situations the department may review pay across their organization and may request adjustments for additional individuals to ensure equity is maintained.
   a. An employee is paid substantially lower in the salary range than other employees with similar qualifications and comparable years of service in the same job or comparable jobs in the RC or, if appropriate, comparable jobs at the university.
   b. There is significant compression between the employee’s pay and the pay of more recent hires in the same job within the same department, which results from conditions outside the control of the department head (e.g., placements through reduction in force or reorganizations).
   c. There is significant compression between the employee’s pay and any pay of other employees who report directly to the employee.
   d. The rationale for a market adjustment requires written substantiation and analysis of the pay discrepancy and the internal or external market conditions that led to the discrepancy; and, if applicable, documentation of any relevant employment offer.

   The following are guidelines for market adjustments:

   a. A pay adjustment must align with the Guidelines for Mid-Year Pay Adjustments:
      i. Increases requested July-November should be effective with the first January pay period.
      ii. Increases requested December-June should be effective with the first pay period in July and handled through budget construction using an exception code.
   b. Pay adjustments will not be approved retroactively.
   c. No employee will receive more than one pay adjustment outside of budget construction during any twelve-month period.
   d. Generally, an employee must have been in the current position for at least six months, and performance must be at least at the satisfactory level.

**Procedures for HLR Increases and Market Salary Increases:**

1. The department head will obtain approval for the starting salary and the salary adjustments.
   a. For Non-Exempt Non-Union and Exempt positions, the department head shall obtain approval for the salary adjustments, including the following required approvals:

2. a. i. The immediate supervisor shall obtain approval from their manager.
    ii. Any salary that is at or above the maximum of the salary range shall have the RC head approval.
    iii. The unit’s fiscal officer shall indicate that base or alternate appropriate funds are available.
    iv. Any other RC or campus approval protocol shall be followed and approvals obtained.

**Part Time**

For part time employees, the rate of pay should be based on a competitive rate for the work that will be performed.
Definitions

Career Level: Represents the position of a role within a career structure measured by typical work dimensions. Proficiency and complexity progress within each work dimension as levels increase.

Fundamental Responsibilities or Responsibilities: Elements of a role descriptor that outline the work to be performed by an employee in that role.

Higher Level Responsibilities (HLR) (Previously known as In-Range Increase): These duties are typically being performed for an extended period of time, such as six months or more, and the employee has demonstrated competency in the expanded responsibilities.

Incumbent: The current employee in a specific position.

Job or Role: A collection of positions whose duties and responsibilities are the same kind of work, at a similar skill and responsibility level. The duties and responsibilities are alike enough that the positions have the same descriptive title and require substantially the same minimum qualifications. (In rare instances, a position with very unique duties and responsibilities may exist and may be the only position assigned to a role descriptor.) Each role has a defined function, job family, and career level.

Job Family: A sub-category of classification that represents a group of jobs performing similar types of work and requiring similar skills, knowledge, and/or expertise. Each job function has its own group of job families. Some examples of families within the Finance function include: Accounting & Tax, Payroll, or Financial Administration.

Job Function: The largest category of classification that represents a group of related job families. Some examples of functions include: Information Technology, Finance, or Student Services.

Market Adjustments (Also known as Equity Adjustments): Salary increases used to remedy significant inequities with internal or external positions, based on substantiated comparisons that are documented; includes responding to an employment offer from an external entity for a position with comparable duties and responsibilities. Equity adjustments are for exceptional circumstances and require careful analysis to ensure compliance with trustee-approved salary policies.

Position: A group of duties and responsibilities officially assigned to a specific employee.

Position Classification: The assignment of a position to an established role descriptor that most closely matches the distinguishing characteristics of the position.

Progression within Position: Occurs when an employee takes on additional responsibilities within the same position. These responsibilities may result in an HLR salary adjustment or career progression to a role descriptor with a different career level, with or without a salary adjustment.

Quartile: Any one of four equal divisions across a salary range.

Role Descriptor: A summary of the most important aspects of a job that includes a brief summary, fundamental responsibilities, and work dimension details that are typical for the career level. Role descriptors create the foundation for career development. Role descriptors are maintained by IU Human Resources.

Salary Range: The range of salaries, from lowest to highest, that is assigned to each role.

Transfer – Demotion: Occurs when an employee transfers from one position to another position that is assigned to a lower career level. The job function and family may be the same or different in the new position. May also occur when a department restructures the duties and responsibilities of a position resulting in a classification to a lower career level. May or may not result in a salary change.

Transfer – Lateral: Occurs when an employee transfers from one position to another position that is assigned to the same career level. The job function and family may be the same or different in the new position. Typically do
not involve a major change in level of responsibility or job scope and, as such, do not normally, but may, result in a salary change.

**Transfer – Promotion:** Occurs when an employee transfers from one position to another position that is assigned to a higher career level. The job function and family may be the same or different in the new position. Typically result in a salary change.

**Sanctions**

Managers, supervisors, and employees who violate this policy are subject to corrective action, up to and including separation.

**History**

**June 2022**
Updated "temporary" employee nomenclature to "part time".

**March 2021**
Updates made due to Job Framework Redesign project.

**January 2021**
Updates made due to Job Framework Redesign project.

**July 2019**
Updates made to CWA procedures based on union discussions.

**January 2018**
Updated to correct an error created by the HR policies project.

**December 2016**
Revised to incorporate provisions of the 2016-2019 Agreement between Indiana University and CWA Local 4730.

**February 2016**
Replaces the following policies and guidelines

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**Service Wage Guidelines**

Replaces parts of the following policies and guidelines

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