Information

Pay Adjustments

Effective

May 1, 1992

Number

PER-3.05

Applicability

This policy applies to University Staff.

Administrative Authority

Vice President for Human Resources

Responsible Unit

Human Resources

Miller Information Technology Center Rm 02C

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History

Revision Date(s): July 1, 2010; October 4, 2017 (effective November 30, 2017); December 10, 2021 (minor edits); August 24, 2022 (minor edit); April 1, 2026 (minor revision)

Reviewed Date(s): March 8, 2016; October 4, 2017

Categories

Statement:

Subject to the Board of Trustees' funding in the annual or amended budget, adjustments may be made to the pay range and individual employee compensation. Pay increases shall normally become effective July 1, or at other times as determined by the university.

PAY RANGE ADJUSTMENTS

Each year the university will make a determination regarding the movement of the pay range. This determination will be based upon:

1. The percentage of change within the pay ranges of benchmark or appropriate labor markets;
2. The current competitive status of the university's pay ranges to include minimums, midpoints, and maximums; and
3. The financial means of the university.

AVERAGE PERCENTAGE INCREASES FOR EMPLOYEES

Each year the university will decide the amount, if any, to be given to employees for salary adjustments. This increase will reflect the available dollars to fund both general and/or performance increases and will take into account the same criteria stated above. Following the establishment of the annual average increase percentage, a determination will be made regarding the amount of the funds allocated to general increases and/or performance increases.

1. General Increases
   The general increase amount is normally given to all staff employees so long as

the resulting base pay is not above maximum of the assigned pay range. An employee whose performance is considered unsatisfactory is not eligible for a general increase except as required to comply with the established minimum.

2. Performance Increases
    1. Performance increases awards shall be recommended by the supervisor, subject to approval by the vice president/dean. Human Resources and the Office of Budget and Planning will promulgate the guidelines and timelines for distribution of performance increases each fiscal year. Each regular employee may be considered for a performance award in accordance with the guidelines established for performance awards.
    2. Adjustments to an employee's base pay will be limited to the maximum of each pay range. Any compensation beyond the maximum for the pay range must be based on performance. Such compensation will be paid in one payment and will not be included in the employee's base pay. Such compensation requires the approval of the Vice President for Human Resources.

SPECIAL ADJUSTMENTS

Special increases, as the budget allows, may be granted during the fiscal year in recognition of exceptional market factors or internal equity. Such increases require the approval of the Vice President for Human Resources.

PAY INCREASES UPON PROMOTION

1. When an employee is promoted, the unit head may request a promotion increase normally not exceeding eight percent (8%) beyond the employee's current salary or pay rate or to the minimum of the pay range for the new classification, whichever is greater. Promotional increase in excess of the above may be authorized by the Human Resources Department based on training, education, experience and internal equity. The promotion increase may not be above the maximum of the pay range for the new classification.
2. Promotion increases are not retroactive, but will become effective on the date of the promotion following appropriate approvals.

PAY INCREASES UPON RECLASSIFICATION

1. A pay increase resulting from reclassification occurs when the position which an employee occupies is assigned to a different grade in a higher pay range. The reclassification and pay increase will become effective with the first day of the pay period closest to the implementation date established by the university.
2. Increases will normally not exceed eight percent (8%) beyond the employee's current salary or pay rate, or to the minimum of the pay range for the new classification, whichever is greater. The increase may not be above the maximum of the pay range for the new classification.

PAY UPON DEMOTION

Upon demotion, the individual's salary may be reduced. Rate on demotion is reviewed on an individual basis and must be approved by the Vice President for Human Resources.

PAY UPON TRANSFER

A transfer normally will be made at the same rate of pay, but not below the minimum rate for the class to which the employee is transferred.

Definitions:

http://louisville.edu/hr/policies/definitions