

UAB Academic/Administrative Compensation Guidelines FY12

June 2011

As we continue to assess how to best invest limited institutional resources, it is imperative that we implement and promote to UAB-wide employee compensation practices that effectively support our most important asset, our workforce. To assist our academic and administrative units with these decisions, the following Compensation Guidelines are provided for the FY12 budget year:

- **Faculty Promotions**
 - Faculty promotions may be funded if endorsed by the appropriate College/School, Dean, or Library Director.

- **Merit Increases**
 - UAB is making available a merit-based salary option to reward performance and keep UAB salaries competitive.
 - Each College/School/Unit electing to participate must submit a merit-based, salary increase “Plan” for review and approval to the Provost/VPFAA no later than 7/15/2011. UAB’s institutional target is for College/Schools/Units to submit Plans with a minimum 3% pool for merit-based distribution among faculty and staff (funding is available). Plans should include total salary pool dollars to be made available (with % of total salary base this represents), planned ranges for individual increases (e.g. 1-5%), and planned distribution strategy (e.g. 20% of merit recipients to receive 5%, 40% to receive 2-4%, etc) All Plans should identify appropriate sources of sustainable funding.
 - College/School/Unit Plans may also include market equity considerations as part of allocation and distribution methodologies. Each College/School/Unit considering a Plan with market equity component should fully discuss with HR before submitting.
 - All Plans must require that individual, merit-based salary increases align with level of performance reflected in annual evaluations.
 - Individual salary increases of more than 10% under Plan will require prior Provost/Vice President for Finance and Administration (VPFAA) approval.
 - **Effective Dates**
 - With the exception of the School of Medicine and Joint Health Sciences, merit pool increases for all colleges/schools and administrative areas will be effective on 10/1/2011 for faculty and monthly paid staff and 9/25/11 for bi-weekly paid staff.
 - In order to better align with UAB Medicine, the School of Medicine and Joint Health Sciences will be able to submit Plans that implement merit increases effective 1/1/12 for monthly and bi-weekly paid faculty and staff.

- **Fixed Increment Payments (FIP)**
 - Requests for FIPs will be considered for FY12. FIPs are one-time, non-recurring lump sum salary payments used in limited cases where an employee is at or above the pay range maximum and a merit-based payment is justified. FIPs may also be used to reward individual performance in unique or unusual significant special projects of limited duration that require extensive time and effort above and beyond regularly assigned job duties (note: a 12-month payment distribution schedule may be required for employees receiving FIPs that are funded on federally-sponsored projects).

- FIP recommendations must be submitted to the Office of the Provost/VPFAA no later than 7/15/2011. Approved FIPs will be effective 10/1/2011.
- Pay Ranges
 - UAB General Pay Range Structure will be adjusted effective 1/1/12 to better align with current market conditions.
 - Faculty Ranges will not change for FY12.
- Incentive Plans
 - Previously-established compensation incentive plans must be submitted for recertification as required by existing UAB incentive program guidelines by 7/15/2011.
 - New incentive plan proposals must be submitted by 7/15/2011 to be considered for implementation in FY12.
 - Please refer to the UAB incentive program guidelines for further information.
- Lateral Transfers
 - Salary adjustments for lateral transfers greater than 10% should be submitted/reviewed by HR with support/approval by the applicable College/School/Department VP, Dean, or Library Director. HR will review and submit to the appropriate UAB senior administrator (Provost/VPFAA) for final approval.
- New Hires
 - New hires may proceed in accordance with established UAB and departmental policies provided funding is available. New Hires do not require HR approval if within the pay range.
- New Positions/Position Reclassifications
 - New positions/reclassifications may be requested under established HR procedures. New positions/reclassification will be reviewed by HR Compensation to determine the appropriate job title for the position. These requests require approval from the applicable College/School/Department VP, Dean or Library Director. Please note: once a position has been reviewed for reclassification, it is not eligible for review again for a minimum of 12 months.
- Retention Salary Adjustments
 - Retention salary adjustments will be reviewed on a case-by-case basis. Initial review and approval is required from the College/School/Department VP, Dean, or Library Director. Once approval is obtained, departments should submit the request and approval to HR if the request is greater than 10%. HR will review and submit to the appropriate UAB senior administrator (Provost/VPFAA) for final approval.
- Salary Adjustments
 - Salary Adjustments for probationary, job rate and establish step rate programs (including graduate assistantships/stipend increases, resident progression and student salary adjustments) may proceed in accordance with established UAB and departmental policies provided funding is available. These adjustments must be funded by College/School/Department and approved by the appropriate VP, Dean or Library Director.
- Supplemental Duties – Additional Pay
 - Requests for additional compensation for supplemental duties must be approved by the College/School/Unit VP, Dean, or Library Director prior to submission for HR review. Please note: additional/supplemental duties should be temporary in nature (less than 6 months).

The following list summarizes the review and approval process for FY12 compensation actions:

VP/Dean/Library Director Approval only. Requires **no** review by HR:

- Graduate assistantship with annual stipend increase
- Lateral transfer with increase of less than 10%
- New hire with proposed salary within the pay grade
- Lateral increase less than 10%
- Probationary increase less than 10%
- Resident progression increase
- Salary share adjustment between two or more funding sources where the total salary does not change (e.g. HSF/UAB/VA/UABHS)
- Staff promotion less than 15% or to range minimum
- Student salary adjustment

VP/Dean/Library Director Approval after initial review/approval by HR:

- Probationary increase greater than 10%
- Reclassifications
- Requests for new positions
- Staff promotions greater than 15% if higher than range minimum
- Supplemental duties additional pay

UAB senior administrator (Provost/VPFAA) approval after full HR review/approval and endorsement by appropriate VP/Dean/Director:

- Faculty promotions
- FIPs
- Incentive Plans – new or previously approved
- Lateral transfers with increases of 10% or more
- Merit-based salary increase Plan (including any market equity component)
- Retention salary adjustments greater than 10%

Any questions or concerns regarding these guidelines should be directed to your HR Representative or HR Compensation.