

Managerial Compensation Policy

Title: *Managerial Compensation Policy*

Subject: *Human Resources*

Policy No: *HR: 2017:01*

Applies: *University-Wide*

Issuing Authority: *President*

Responsible Officers: *Chief Human Resources Officer*

Adopted: November 6, 2017

Last Revised: June 1, 2021

Last Reviewed: September 22, 2021

I. PURPOSE

To establish and describe the compensation philosophy, procedure, and administrative overview for Managerial base pay to ensure the standardization of all offers of employment and ensure consistency in offer letters and retention of records by managing the process through a centralized human resources function. This policy is also intended to set market based salary ranges for determining base salary compensation for managerial appointments and promotions that are equitable and fair to attract and retain highly qualified, diverse managers and to recognize the unique talent requirements and skill sets at the University.

II. ACCOUNTABILITY

Under the direction of the President and Senior Vice President of Finance, the Chief Human Resources Officer shall implement and ensure compliance with this policy.

III. APPLICABILITY

This policy shall be followed to determine base salary for managers.

IV. POLICY

The University strives to be both externally competitive in relevant labor markets and internally equitable. The program promotes fiscally responsible compensation decisions, encourages efficient use of University resources, and ensures compliance with applicable legal and contractual requirements. Salary ranges have been determined using market data and taking into consideration an appropriate balance between the external and internal value of jobs. New managerial positions will be assigned a range based on the job description and required skill set for those positions.

1. New Hires:

Generally, all external hires should be hired between the minimum and midpoint of the assigned salary range, recognizing that these individuals are not familiar with their role at Rowan University or the university's policies and operating procedures. The hiring manager must seek and obtain approval of the salary offer from the Human Resources Compensation Director prior to communication with the candidate. Human Resources will determine starting salaries for new hires based on the employees' experience and qualifications as well as the salaries of university employees in similar roles, performing similar scopes of duties, with similar skill sets or with similar responsibilities. Budget availability will also be taken into consideration. An offer that is higher than the approved budgeted amount on the request to hire form cannot be made until approved by the Budget Office. **Any requests for exceptions to hire above the salary grade midpoint require the CHRO's or the President's approval.**

2. Promotions:

The opportunity for a promotion becomes available when either an existing position with a higher salary range becomes open, allowing an employee to apply, or duties with greater responsibility are added to

the employee and a reclassification request for the existing position is approved with an associated higher salary range.

When an employee is promoted to a managerial title either from a current managerial title or a bargaining unit title, Human Resources takes into consideration how the employee's pay is compared to peers in the new role with similar scope, skills, and knowledge as well as the criticality (and possible scarcity) of the employee's skills to the University. The employee's salary will be increased to at least the minimum of the new salary range or more if current salary warrants. **Human Resources will determine the appropriate pay increase related to promotions. Requests for salary increases over 15% that bring employee above minimum salary require justification that must be approved by CFO or President.**

3. Acting/Interim

Generally, the "Acting" incumbent will receive equitable pay based on current market data as well as experience and Human Resources will determine the appropriate pay increase related to Acting/Interim duties. The Provost will determine increases for Academic positions in coordination with the Human Resources Department.

4. Lateral Transfer

If an employee transfers to a job in the same level (lateral transfer) as their current job, there will be no change to his/her salary.

5. Downgrades

A downgrade for an employee can occur when an existing position with a lower salary range becomes open, and employee voluntarily chooses to apply for; or duties of employee change and decrease the level of responsibility to the point that position is in a lesser range.

When an employee is downgraded to a managerial title in a lower salary range, Human Resources will determine the appropriate pay decrease based on new salary range