FY 2014-15 Clemson University Compensation Plan Guidelines

As a part of the 2020 Road Map goal of recruiting and retaining top people, Clemson University is implementing the fourth year of the compensation plan of a planned five-year commitment. Clemson’s compensation philosophy is below and guides all compensation decisions including the FY 2014-15 compensation plan. In addition to supporting the 2020 goal, the philosophy utilizes market relevant salary data.

_Clemson’s compensation philosophy_ emphasizes the University’s investment in people. The compensation philosophy supports the University's goal of attracting, developing, and retaining people through the use of market-relevant salary ranges and pay practices to reward performance and people development.

An annual compensation analysis has been conducted on all faculty and non-faculty positions. This analysis revealed:

- Faculty pay is competitive in relation to the OSU (Oklahoma State University) market mean by discipline and rank and is, on average:
  - 111% of OSU Research High
  - 100% of OSU Research High plus Very High
  - 97% of OSU Research Very High
  - 102% of combination of SUG (Southern University Group - combination of High and Very High Universities)

- Non-faculty pay is competitive, and is on average, 102% of the specific markets which varies by each type of position (Classified bands 1-6, State of SC Higher Ed Median; Classified bands 7-9, State of SC Higher Ed Median, Regional and National surveys; Unclassified, Regional and National surveys).

*Faculty is defined as: Tenure/Tenure Track positions, lecturers, and research faculty.  
**Non-faculty is defined as: classified and unclassified staff, deans, administrative council members, individuals in faculty titles who are not in Tenure/Tenure Track positions, lecturers, or research faculty.

These analyses were used to guide the key elements of these guidelines.

Key elements in this year’s compensation plan for faculty and non-faculty positions include:

1. State-mandated 2 percent general increase for all full time equivalent faculty and non-faculty
2. Performance–driven and incentive-based bonuses

Below are the specific guidelines for each element of the compensation plan. Additional information, including approvals and a timeline can be found on the Office of Human Resources website at: [http://www.clemson.edu/humanres](http://www.clemson.edu/humanres).
1. **State-Mandated 2% General Increase**
   
a. A general increase was approved by the state of South Carolina as a 2% across-the-board adjustment. It was applied to all full time equivalent faculty and non-faculty base rates and appeared in the July 15, 2014 paycheck for 12-month employees and will appear in the August 29, 2014 paycheck for 9-month faculty.

*Temporary Grant increases must coincide with the approved grant or contract and may not be eligible under the above guidelines.

Note: Additional duties, promotions, reclassifications, etc. are not a component of this compensation plan and should be treated separately. See Human Resources Compensation Policy for Classified and Unclassified (non-faculty) Positions for additional details.

2. **Bonuses (Faculty and Non-faculty)**

   Bonus pay is a one-time, non-recurring payment to the employee and is not included in the base salary. There are two bonus plans for University leadership to utilize:

   a. **Performance-Based Bonus** – Bonus tied specifically to an individual’s performance.
   
   b. **Incentive-Based Bonus** – Bonus tied specifically to an individual’s contribution to the bottom line through the generation of net external funds or savings captured to fund the strategic plan.

**Guidelines and Eligibility for Performance Bonus for faculty and non-faculty:**

   a. **Performance-Based Bonus:**
      
      - Range from $500 - $3,000 ($3k max per state law)
      - Must use existing funds from within the college/division. *Colleges and divisions must use only non-state-appropriated funds for bonuses.*
      
      - **Justification:** When determining individuals receiving bonus pay, leadership should provide detailed responses for each performance bonus request considering one or more of the following:
         - The individual’s performance over the past three years, recognizing top performers
         - The individual’s contribution to the strategic plan and contributions to the bottom line by generating resources and/or cost savings
         - Individuals who have received significant external, internal, or peer recognition

   **Eligible:**
   
   - All classified and unclassified non-faculty in full time equivalent positions.
   - Faculty in full time equivalent positions who performed at or above the departmental benchmarks for productivity / full workload.
• Temporary grant* and time-limited positions so long as the bonus is paid out of the grant or time-limited project, and that the grant or project allows bonuses.

**Ineligible:** Per state law, the University President, temporary employees and employees with documented substandard performance or who have received any type of disciplinary action within the prior 12 months.

**Approvals:** Requests for college faculty and non-faculty require approvals by the Dean. All other requests require Vice President/Division Head approval.

**b. Incentive-Based Bonus (faculty and nonfaculty):**

- Range from $1,000 - $10,000
  - Must use existing non-state appropriated funds (per state law) within each division
  - Recommended amounts must be commensurate with the specific and continued contribution to the bottom line through the generation of net external funds or savings captured to fund the strategic plan
  - Justification: Each individual incentive-based bonus request must include detailed responses to the following:
    - What is the specific source of “non-state” funding for each bonus request?
    - What is the opportunity cost for providing bonuses? In other words, what is the impact of using these funds for bonuses rather than for other strategic initiatives?
    - Provide documentation of generation of external funding or captured savings by the individual and how it was used/will be used to fund major divisional initiatives in support of strategic plan.
    - Identify if the generation of funding or cost savings are recurring or one-time funds.

**Eligible:** All faculty and non-faculty in full time equivalent, temporary grant*, or time-limited positions. This eligibility is irrespective of salary level.

**Ineligible:** Temporary employees and employees with documented substandard performance or who have received any form of disciplinary action within the prior 12 months.

**Approvals:** Requests for college faculty and non-faculty require approvals by the Dean and Provost. All other requests require Vice President/Division Head approval. The President will be the final approver.

*Temporary Grant bonuses must coincide with grant agreement and may not be eligible under the above guidelines.

**Note:** Contractual agreements are not a component of these pay guidelines and should be treated separately.