Compensation Guidelines – Effective July 2018

Compensation Philosophy
Clemson’s compensation philosophy is that people are the University’s most valuable resource. This philosophy is demonstrated by Clemson’s investment in people. Clemson believes that through market-competitive compensation practices the University can engage the talent necessary to realize its vision, mission and goals. As illustrated in the diagram below, Clemson’s compensation philosophy is the overarching force that drives the compensation strategy and defines the compensation guidelines, while remaining responsive to external market conditions and internal budgetary constraints. Clemson’s compensation philosophy also requires leaders to be good fiscal stewards and expects accountability for compensation decisions at all levels. Those decisions should be driven by employee performance.

Compensation Strategy
Clemson’s compensation strategy dictates how the University positions itself, relative to the market, in terms of compensation. The strategy is designed to promote Clemson’s compensation philosophy by using market-relevant salary ranges and compensation practices to attract, reward, develop, and retain top talent.
Principles
Clemson’s compensation strategy is spelled out in the following principles:

- Clemson will provide compensation opportunities that are competitive within the markets in which the University competes for similar talent.
- The process of benchmarking jobs to the market informs target salary ranges. Benchmarking results will be referenced when determining salaries for jobs at Clemson. It is Clemson’s strategy to target the University’s overall compensation to the market distribution (median, mean, variance and range) and maintain a competitive salary structure.
- Clemson will promote market-competitiveness across all divisions by striving to provide comparable compensation for jobs with comparable responsibility and knowledge requirements and market demand.
- Employee benefits (non-wage compensation) are an important element of overall compensation and will be used strategically to help keep the University competitively aligned.
- Individual compensation for all jobs will be consistently based on education and experience, complexity, authority, job responsibilities, time in job, and employee performance, with consideration for the financial and budgetary resources of the University.
- Clemson is committed to measuring job performance and compensating individuals in accordance with that performance. To that end, Clemson will maintain a consistent performance-management program, and salary will be determined by the degree to which each individual:
  - Contributes to realizing the University’s goals,
  - Demonstrates excellence in performing job responsibilities,
  - Performs a full workload as defined by departmental standards,
  - Demonstrates excellent job-related knowledge, skills and competency,
  - Exhibits a positive attitude and teamwork, and
  - Builds and maintains personal capabilities as documented in performance reviews.
- During a career at Clemson, an individual will be recognized and rewarded for increased expertise, sustained contributions, and high-level performance.

Market Positioning
Because Clemson has a wide range of positions, the University’s compensation strategy is tailored to four categories: 1) faculty positions, 2) staff, 3) administrative positions, and 4) athletic-specific positions. Clemson targets the University’s overall compensation to reflect the distribution of compensation for the appropriate market. Compensation is to be competitive for similar rated jobs in the geography from which the position is recruited. Appropriate market comparison will be utilized for a variety of positions. Wherever possible, Clemson attempts to apply multiple data sources in order to support the most effective evidence-based decisions.
<table>
<thead>
<tr>
<th>Employee Segment</th>
<th>Geographies</th>
<th>Comparisons</th>
<th>Data Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty</td>
<td>National</td>
<td>Combination of R1 and R2 institutions</td>
<td>Oklahoma Salary Survey</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Subsets of institutions where specific comparisons are appropriate</td>
<td>CUPA-HR</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Academic Analytics</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Other</td>
</tr>
<tr>
<td>Staff</td>
<td>Local</td>
<td>Public and Private Sector Employers</td>
<td>PayFactors</td>
</tr>
<tr>
<td></td>
<td>Regional</td>
<td>Higher Education Institutions (where applicable)</td>
<td>CUPA-HR</td>
</tr>
<tr>
<td></td>
<td>National</td>
<td></td>
<td>CompData</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Other</td>
</tr>
<tr>
<td>Administrators</td>
<td>National</td>
<td>Combination of R1 and R2 institutions</td>
<td>CUPA-HR</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Appropriate hiring targets set by Provost’s office</td>
<td>PayFactors</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>CompData</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Other</td>
</tr>
<tr>
<td>Athletics</td>
<td>Conference</td>
<td>ACC (Atlantic Coast Conference); SEC (Southeastern Conference)</td>
<td>LEAD1 – all athletics-specific positions</td>
</tr>
<tr>
<td>(Positions Unique to Athletics)</td>
<td></td>
<td>Power 5 Conference: ACC, Big 10, Big 12, Pac 12, and SEC.</td>
<td>WIN-AD – positions with contracts</td>
</tr>
</tbody>
</table>

Each job at Clemson is assigned a specific market match which defines the appropriate title matches, data sources, and data cuts to be used in analysis. The Chief Human Resources Officer will make final recommendations and determinations for appropriate survey sources and scopes when necessary.

## Compensation Guidelines Fiscal Stewardship

**BOARD OF TRUSTEES COMPENSATION COMMITTEE**

The Mission of the Board of Trustees Compensation Committee is to ensure Clemson University’s compensation policy is market-level competitive, supports achievement of top 20 status, maintains R1 Carnegie classification, and continued excellence in the University’s athletic programs. Such policy must apply to all faculty, staff, administrators and coaches. The Board has delegated administrative authority to Clemson University’s President, Chief Human Resources Officer, and Executive Leadership to implement the policy. Further, the Board expects Clemson University's compensation policy and implementation procedures to be consistent, governed by budgetary constraints and good fiscal stewardship, tied directly to employee performance that is linked to objective standards, and targeted at competitive market levels for similar jobs in local, state, regional or national markets as appropriate.

The Compensation Committee annually reviews all policy matters regarding compensation for Clemson University employees (faculty, staff, athletics and administration) to ensure that policy is being adhered to.
The committee annually reviews compensation studies, market data and other relevant compensation-related information in the execution of its responsibilities. The committee reviews and approves strategic hiring and compensation plans and policies for performance methodologies and changes therein.

**CHIEF HUMAN RESOURCE OFFICER**

In executing the compensation strategy, Clemson University’s Chief Human Resource Officer is charged with implementing policy, procedures and practices as adopted and developed by the President and the University’s Executive Leadership Team and approved by the Board of Trustees Compensation Committee. The Chief Human Resource Officer is also charged with utilizing appropriate tools and industry standards to establish compensation practices consistent with the University’s strategy and policy. This includes, but is not limited to, the development and maintenance of competitive market-pay data and salary analyses. The Chief Human Resource Officer must approve all hires and salary actions above the 75th percentile or above $200,000 in writing and this approval may not be delegated.

**PRESIDENT**

In ensuring alignment with the compensation strategy, Clemson University’s President is charged with managing compensation decisions with all personnel through policy compliance, procedures and practices as adopted and developed by the University’s Executive Leadership Team and approved by the Board of Trustees Compensation Committee. The President must approve all hires and salary actions above the 75th percentile and greater than $200,000 in writing and this approval may not be delegated.

**EXECUTIVE VICE PRESIDENT OF ACADEMIC AFFAIRS AND PROVOST**

In ensuring alignment with the compensation strategy, Clemson University’s Executive Vice President of Academic Affairs and Provost is charged with managing compensation decisions with academic personnel through policy compliance, procedures and practices as adopted and developed by the University’s administration and approved by the Board of Trustees Compensation Committee. The Provost must approve all hires or salary actions for academic personnel above the 75th percentile or above $200,000 in writing and this approval may not be delegated.

**EXECUTIVE LEADERSHIP TEAM (ELT)**

As leaders of major functional and academic areas of the University, the members of the Executive Leadership Team are ultimately accountable for maintaining the effectiveness and reasonableness of the pay decisions within their area. ELT members retain ultimate responsibility for the outcomes of pay practices and decisions within their divisions.

**Compensation Guidelines Scope**

The compensation guidelines outlined in this document apply to all employees of Clemson University. The guidelines are designed to reflect Clemson’s compensation philosophy and to help guide hiring managers, supervisors, approvers and OHR staff through the process of determining compensation in a manner in keeping with the University’s established compensation strategy.

In addition to these guidelines, further scrutiny by the Board of Trustees Compensation Committee is required for all compensation actions involving employees listed in appendix A, salaries exceeding
$200,000 and above the 75th percentile of the market range, direct reports to the President not listed as presidential administration and athletic staff for designated sports in appendix B.

The Committee reviews the Board of Trustee’s evaluation of the President and makes recommendations for the president’s compensation.

Prior to submission to the Compensation Committee for approval, the compensation actions noted above require approval by the vice president/division head, the Chief Human Resources Officer and the President. Approvals must be documented in writing and may not be delegated. OHR works collaboratively with approvers to ensure that proposals brought before the committee are data-driven and compliant with University policy and guidelines.

**Market Analysis and Salary Structure Adjustments**

Depending on competitive market trends, salary targets for broad categories of positions may be adjusted. This is not an adjustment to an individual’s salary but to the overall University salary structure. Examples of such broad categories can include all faculty, all staff, all faculty within a specific rank and discipline, all staff within a certain job code or job band, mandated changes to FLSA status, misclassifications of positions, etc. These adjustments generally occur after The Office of Human Resources (OHR) completes a market analysis of benchmark positions to evaluate significant changes in the market. In the event of a required individual adjustment, OHR will properly administer the adjustment. The Board of Trustees Compensation Committee will be informed of these adjustments.

When conducting a market analysis for a position, OHR evaluates the position’s content and essential functions and compares the position to others in relevant markets.

**The Position Description (PD)**

The position description is a key tool in keeping Clemson’s compensation structure aligned with the University’s philosophy and strategy. This multi-purpose document is used in the following ways:

- To define the roles, responsibilities, and expectations associated with a position
- To evaluate a position
- To establish a salary
- To recruit candidates to fill a position
- To evaluate an incumbent’s performance annually

As such, it is critical that position descriptions remain accurate and up to date. Office of Human Resources personnel are available to work with hiring managers and supervisors to help write and revise position descriptions as well as to submit the up-to-date documents for final review and approval.

**Toolkits:**

[Position Description Writing Tips](#)

**Resources:**

[Position Description Form](#)
Resources

The Office of Human Resources staff are available to assist with all compensation matters. As OHR is tasked with executing Clemson's compensation program in collaboration with colleges and divisions, the University encourages hiring managers and supervisors to work in close association with OHR from the onset of any new hire or subsequent compensation adjustment. The goal of early collaboration is to facilitate and streamline the compensation process and to ensure that compensation practices remain in line with the University's compensation philosophy. Hiring managers and supervisors are encouraged to contact the Office of Human Resources for guidance, compliance assistance, and support regarding all compensation-related needs. Classification and Compensation analysts from OHR are responsible for job evaluations and salary range determinations and are available to assist colleges and divisions with related issues.

Compensation Actions

A compensation action is the establishment of or any change to an individual's total compensation. An individual's salary is established by a compensation action at the onset, when a hiring salary is determined. Throughout the course of employment, compensation actions affect an individual's total compensation whenever an adjustment is warranted, such as:

- Hiring Actions
- Post Hire Actions
- Performance Based Compensation Actions
- Retention Based Compensation Actions
- Responsibility Based Compensation Actions

The following sections outline established compensation actions and how they affect an individual's total compensation. Some actions impact base pay, while others impact supplemental or variable pay. Base pay is defined as fixed compensation given in exchange for performing determined job responsibilities. Supplemental pay is compensation given as a temporary salary adjustment or administrative salary adjustment, and variable pay is compensation given as a one-time, lump-sum bonus or award. It is important to keep in mind the differences between base pay and supplemental or variable pay and that, depending on which one they impact; compensation actions are either temporary or fixed adjustments to an individual's compensation.

University policy requires that all compensation actions be recommended by the individual's direct supervisor and approved by the person to whom the supervisor reports.

HIRING ACTIONS

When hiring for new or existing positions at Clemson University, colleges/divisions should proactively seek the collaborative assistance of the Office of Human Resources.

Job Evaluation

A job evaluation is the process of first analyzing the position's duties, complexity, required skills and experience, decision making, and general and budgetary responsibilities. As part of the job evaluation, appraising the position in relation to comparable positions within the University and in relevant markets is required. Before a salary can be assigned to a position, OHR's Classification and Compensation analysts
determine the appropriate job title and status. The result of a job evaluation is a salary range, which defines the salary limits for that specific group of responsibilities.

While job evaluations are most often performed prior to hiring, they are also occasionally required post-hire, when there is a substantive change in an existing position.

**Salary Ranges and State Pay Bands**

Every position at Clemson University is assigned a competitive salary range based on market data. The salary range defines the minimum and maximum compensation for a specific group of responsibilities. Individuals in the state of South Carolina classified positions are in salary ranges governed by the state pay bands. While market-relevant data is still used to decide compensation actions for classified positions, the state pay bands serve as minimums and maximums. Per state regulations, the University is required to set salary for these positions within the limits of the assigned pay band. State pay bands are broad and afford flexibility for determining a competitive salary range within a given band. All competitive salary ranges have an approval process. Within colleges/divisions, competitive salary ranges require two levels of approval. Once a competitive salary range is established by the Office of Human Resources and has met approvals, hiring managers can hire within the approved hiring salary range without additional approval/review, provided the salary offer is compliant with all other compensation guidelines.

For hiring salaries greater than $200,000 and above the 75th percentile of the market range, approval in writing by the Chief Human Resource Officer, the President and the Board of Trustees Compensation Committee is required prior to the offer being extended. These approvals may not be delegated.

**Resources:**

[State of South Carolina Pay Bands](#)

**Establishing a Starting Salary (impacts base pay and supplemental pay)**

A starting salary is derived not only from the nature of the job but also from the qualifications of the prospective hire. Thus, a final candidate must be selected before a starting salary can be determined for a new position.

Once a final candidate has been selected for a position, a review of the position description, the assigned salary range and the candidate’s qualifications are necessary for establishing a salary offer for the prospective hire. The candidate’s experience, skills, performance and current employment are the main components to consider when determining where within the predetermined competitive range the starting salary should fall. Classification and Compensation analysts are available to work with the hiring manager to determine a starting salary that aligns with Clemson’s compensation philosophy.

Starting salaries at or near the median/mean of the salary range are appropriate for individuals with proven performance and notable accomplishments in a similar setting who are expected, based on depth of knowledge and/or experience, to need little or no additional training. A candidate with relatively fewer skills and less experience, on the other hand, should receive a salary below the mean/median. Salaries above the mean/median are reserved for top talent, individuals with exceptional qualifications, a proven record of exceeding expectations, a high degree of experience and unusual depth of knowledge. These hires should be considered strategically within colleges/divisions and University-wide. Any hires above
the median require justification to support the hiring level. OHR will work with hiring managers to establish a competitive hiring range. Typically, this range will fall within the 25th – 75th percentiles. While a candidate’s experience and qualifications may be a factor in determining the salary for a new position (promotion, transfer, or internal move), salaries should be set based on the relevant market rate of the position being filled.

The table below depicts the typical relation between a new hire and the market median:

Applicant’s Relationship to Market Median

<table>
<thead>
<tr>
<th>25th Percentile (or Below)</th>
<th>50th Percentile</th>
<th>75th Percentile (or Above)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meets Years Required</td>
<td>Experience</td>
<td>Exceeds Years Required</td>
</tr>
<tr>
<td>Novice</td>
<td>Demonstrated Technical Skill</td>
<td>Expert</td>
</tr>
<tr>
<td>Minimum</td>
<td>Qualifications / Credentials</td>
<td>Additional, but Job Relevant</td>
</tr>
</tbody>
</table>

For hiring salaries greater than $200,000 and above the 75th percentile of the market range, approval in writing by the Chief Human Resource Officer, the President and the Board of Trustees Compensation Committee is required prior to the offer being extended. These approvals may not be delegated.

**Inter-agency Transfers**

When an individual leaves a position in one state agency and takes a position in another state agency, this is known as an inter-agency transfer. Inter-agency transfers to Clemson University are treated as new hires and should follow established hiring action guidelines.

**POST-HIRE ACTIONS**

An employee’s compensation, once established through a hiring action, will likely be affected by several compensation actions over time. This section breaks down post-hire compensation actions into three major categories: performance-based, retention-based and responsibility-based. Note that these categories are not perfectly discrete; there is some overlapping.

Compensation actions are either permanent or temporary adjustments to an individual’s total compensation, depending on whether they impact base pay, supplemental pay or variable pay. The type of pay impacted is noted for each compensation action discussed below.

**PERFORMANCE-BASED COMPENSATION ACTIONS**

**Performance-based Variable Compensation (Customized Pay) Plans**

As part of the Clemson Forward Road Map goal of recruiting and retaining top people, budget centers at the University have the ability to implement compensation plans for specific groups of employees to recognize unique business demands, performance metrics, recruiting and compensation markets and incentive opportunities inherent by those groups of employees. These plans are intended to fulfill
Clemson’s compensation philosophy by more closely tying compensation to the appropriate markets and more closely linking variable compensation to performance.

These Variable Compensation Plans will be governed by Clemson University’s Compensation Policy and Guidelines and are a component of Clemson’s overall Compensation Plan.

Four Guiding Principles for Performance-based Compensation Plans:
1. Employees participating in these plans are supporting the University’s strategic objectives, and, as such, the overall administration of this plan must occur in the broader context of the financial condition of the University and its work force.
2. Variable compensation plans tie one-time, lump-sum bonuses directly to an employee’s performance as measured by economic benefit provided to Clemson University. Unlike a traditional bonus plan, these plans segregate a portion of compensation to allow each employee’s total compensation to more closely correlate to the employee’s overall value provided to the University.
3. The plan is based upon the principle that incentive awards should be provided for the accomplishment of defined, aggressive objectives, rather than for the accomplishment of an expected level of quality performance and overall managerial responsibilities. Performance targets are to be set at levels that are achievable yet aggressive enough to cause participants to “stretch” in order to attain or surpass the target.
4. The plan maintains the University’s core values of integrity, transparency, accountability, and professional competence as prerequisites to the long-term success of the University and crucial to sustaining a high level of trust and credibility with key stakeholders.

The purposes of these plans are:
1. To improve performance of Budget Center/Departments who create the plans
2. To improve the individual performance of each plan participant
3. To competitively reward and retain plan participants
4. To establish and maintain a variable compensation vehicle that has the flexibility to respond to changing economic conditions

These plans will recognize that participants are employees of Clemson University and that no actions will be taken in the administration of the plan that are prohibited by University policy or guidelines. These plans also recognize that a high-level of consistency in the approach and collaboration with other affiliated organizations of the University is important in providing incentives and maintaining morale among staff accomplishing similar objectives for various units of the University.

The plan must include the following elements:

- Eligibility criteria
- Performance measures
- Goal Setting and payout opportunities
- Performance evaluation
- Funding
- Plan Administration
Plans will require budget center approval by the Vice President with input, review and approval by the Chief Human Resource Officer. The Compensation Committee of the Board of Trustees will approve the plan if it is considered an exception to the current policy and guidelines.

**Position Adjustment Promotion (impacts base pay)**

In the case of the state of South Carolina classified positions, a position adjustment is considered a promotion when an individual accepts a new position that is at least one pay band higher than the current position. Per state regulations, the University is required, upon promotion, to pay an individual at least the minimum of the assigned pay band for the new position.

In the case of the state of South Carolina unclassified staff positions, a position adjustment is considered a promotion when an individual accepts a new position where the market median is at least 15 percent greater than the current position’s market median.

In the case of the state of South Carolina faculty positions, a promotion is defined in the Faculty Manual. Promotional increases for both classified and unclassified (including faculty) positions (excluding all coaches in Appendix B) should be within the approved competitive salary range. The hiring manager, in consultation with the Office of Human Resources, may position the salary within the market range based on qualifications, experience, performance and readiness to fully contribute to the role. Typically, an individual promoted to a new role would not be expected to be paid above the market median, but many factors may be considered. For salaries greater than $200,000 and above the 75th percentile of the market range, approval in writing by the Chief Human Resource Officer, the President and the Board of Trustees Compensation Committee is required and these approvals may not be delegated. When making compensation decisions, managers and division leadership are required to be good fiscal stewards, make decisions within budgetary constraints and are accountable for those final compensation decisions.

When determining compensation increases for promotion, the assessment is based on the employee’s past documented exceptional performance, the employee’s current salary relative to the market range of the new position, the employee’s current salary relative to others in comparable jobs in the new range and the depth and breadth of the employee’s skills and knowledge.

**Demotion (impacts base pay)**

A performance-based position adjustment can also take the form of a demotion. A demotion is when an individual moves into a new job that is at least one salary range lower than that assigned to the current position. In these special cases, please contact the Office of Human Resources for assistance.
**Performance Adjustment (may impact base pay or variable pay)**

Performance may be recognized in several different ways. Some of these mechanisms are part of the annual University-wide compensation planning cycle. Others may occur off cycle. Some units also have unique and approved tools for recognizing performance. Some of these tools are described in detail below.

<table>
<thead>
<tr>
<th>Tool</th>
<th>Purpose</th>
</tr>
</thead>
</table>
| Annual Pay Cycle                  | • Maintain competitive base salaries for successful performers  
• Provide differential base salary adjustments for individuals with distinguished performance |
| Staff Awards                      | • Annually recognize exceptional staff contribution at the University level  
• Program Details: https://www.clemson.edu/administration/bot/awards/staff.html |
| Faculty Awards                    | • Annually recognize exceptional faculty contribution at the University level  
• Program Details: https://www.clemson.edu/administration/bot/awards/faculty.html |
| President’s Leadership Institute  | • Program to recognize high performers on the faculty and staff level  
• Program Details: https://www.clemson.edu/administration/president/leadership-institute/ |
| Bonus                             | • To recognize successful performance or contribution within the year |
| Incentive Bonus (includes Team Awards) | • To recognize a significant achievement or milestone with material impact on University resources or achievement of strategic goals |
| Unit Awards                       | • To honor and recognize achievements within a College or Unit |
| Unit Pay Plans                    | • Some units have provisions for additional base building or variable rewards based on relevant criteria |
| Contract Provisions               | • To define performance criteria and metrics and tie rewards to them. |
| Customized Reward Plans           | • Customized plans developed in consultation with and approved by the CHRO which recognize and reward performance and achievement of the university goals. |
Increase/Decrease (impacts base pay)
A performance increase is a compensation action used to recognize and reward an individual who has demonstrated high-level performance and significant contribution to the University. Unlike a promotion, a performance adjustment is within an assigned salary range and does not adjust the position. A performance increase is not an across-the-board increase; rather, it is intended to recognize documented top performers for their contributions to the University. Performance pay plans and customized pay plans will adhere to the established university compensation policy and guidelines. All performance pay plans and customized pay plans must be developed with and approved by the Office of Human Resources.

A performance decrease is a special case. For guidance on performance decreases, please contact the Office of Human Resources.

Bonus (impacts variable pay)
Bonuses are one-time, after-the-fact, lump-sum payments designed to reward individuals with successful performance and for significant contributions to the University. Bonuses are established as part of a performance pay plan or customized pay plan and developed with and approved by of the Office of Human Resources. Bonus amounts may vary based on position type and only non-state-appropriated funds may be used for bonuses.

Performance-based bonus (impacts variable pay)
The performance-based bonus is tied specifically to an individual's successful performance. To be eligible for a performance bonus, an employee must have received at least a successful performance rating on the most recent performance review and be consistently performing at a successful level. Performance based bonuses are intended to reward employees who have had positive performance during the previous rating year. Per state regulations, performance-based bonuses may not exceed $3,000 per calendar year. College/division performance-based bonuses must be part of an approved performance pay plan or customized pay plan and require approval by the vice president for the division and the Office of Human Resources. Performance-based bonuses for individuals who report to a vice president require approval by the President. Performance-based bonuses for individuals who report to the President or are in positions listed in Appendix A of this document require approval by the Board of Trustees Compensation Committee.

Incentive-based bonus (impacts variable pay)
The incentive-based bonus, which may not exceed $10,000, provides additional flexibility for managers to reward and recognize exceptional performers for substantial contributions. To be eligible for an incentive-based bonus, an employee must have consistent successful performance and have significantly contributed to the strategic plan and/or the bottom line by generating resources and/or cost savings. The annual compensation plan provides guidance on requirements and eligibility, including the maximum percentage of eligible bonuses by college/division. All incentive-based bonuses require approval by the area Vice President, the CHRO and the President and are reported to the Board of Trustees Compensation Committee. Incentive-based bonuses for individuals who report to the President or are in positions listed in Appendix A of this document require approval by the Board of Trustees Compensation Committee.

Incentive bonus payments may also be associated with Team Efforts. The per-person amount of the award is the same, but it is granted to an entire team in recognition of accomplishment of a significant
milestone or objective. The same funding restrictions and approval process apply as to Incentive-based bonuses.

**Award (impacts variable pay)**
Awards are one-time, after-the-fact, lump-sum payments. All awards must be established up front and have written criteria approved by the college/division's Vice President and the CHRO. The awards program allows University colleges/divisions to promote goals and objectives by recognizing individuals or groups for contributions in specified areas. Awards exceeding $5,000 annually require additional approval by the President.

**RETENTION-BASED COMPENSATION ACTIONS**

**State of SC Mandated General Increase (impacts base pay)**
Periodically, the South Carolina General Assembly mandates a general increase for all permanent faculty, staff and administrative positions (typically a set percentage increase), which allows the University to maintain a competitive compensation program. OHR will advise colleges/divisions when a general increase is mandated. No action will be necessary on the part of colleges/divisions, as OHR will implement these increases University-wide.

**Market-Competitive Adjustment (impacts base pay)**
As indicated in the section labeled “Market Analysis and Salary Structures,” OHR conducts annual reviews of market data and internal salaries to ensure that market-competitive salaries are maintained at Clemson University. While OHR identifies broad categories (e.g., all faculty, all staff, all faculty within a rank and discipline, all staff within a certain job code or job band, mandated changes to FLSA status, misclassifications of positions, etc.), an individual salary or categories of salaries may need to be adjusted in recognition of significant market changes. These adjustments generally occur after OHR completes a market analysis of benchmark positions to evaluate significant changes in the market. Any required adjustments to broad categories or individual positions or categories of positions will be integrated into a recommendation by the Office of Human Resources and will properly administer the adjustments.

While OHR typically initiates market-competitive adjustments, any manager who believes an adjustment is warranted should contact the Office of Human Resources to initiate further review.

**Retention or Counter Offer (impacts base pay and/or supplemental pay)**
Retention or counter offers may be warranted for individuals who meet the following criteria:

- The individual has a bona fide, documented* offer from another employer.
- The individual is in a position that is both critical to Clemson’s needs and difficult to fill.
- The individual has a consistent and documented record of exceptional performance.

Retention or counter offers should be based on market data for the current job and considered on a case-by-case basis and are not automatically considered nor guaranteed. Per state regulations, an individual may not receive more than one retention increase in a one-year period.

*Faculty retention offers must be coordinated through the Provost's Office.
Reallocation Increase (impacts base pay)
From time to time, the State of South Carolina Office of Human Resources reallocates select state of South Carolina classified positions to higher pay bands based on external market factors. State regulations require the University to increase the base salary of an employee in a reallocated position to at least the minimum of the new pay band. (This type of increase applies to classified positions only.) If a reallocation occurs, OHR will notify management and implement any applicable compensation increases.

RESPONSIBILITY-BASED COMPENSATION ACTIONS

Position Reclassification (impacts base pay)
A reclassification is warranted when the actual or desired responsibilities of a state of South Carolina classified position are inconsistent with the position’s current classification. In other words, the job has changed significantly such that the current classification no longer describes it accurately. Generally, a reclassification occurs as a result of unit reorganization, but other factors may apply.

Reclassification can result in a job moving upward to a higher pay band or downward to a lower pay band, or the job may remain in the same pay band.

When a position is reclassified to a higher pay band, state regulations require the University to increase the individual’s salary to at least the minimum of the new band.

The amount of additional compensation given for a position reclassification should be based upon the degree of increase in responsibility, the degree of additional complexity and the employee’s current salary relative to others in comparable jobs within the new pay band.

Fixed Increase/Decrease in Accountability (impacts base pay)
A fixed compensation increase or decrease is an adjustment within the salary range for a position and may be granted when an individual’s assigned job responsibilities or accountabilities are permanently increased or decreased respectively.

Increased responsibilities are considered an exceptional case. Given the opportunities for pay progression based on performance and market, the use of this mechanism should be relatively rare. Illustrative cases that might merit this type of adjustment include:

- Significant expansion of complexity (e.g., increase of number of programs/budgets managed by at least 25 percent)
- New expectation of interaction with more-senior leadership or external stakeholders
- Newly defined accountability for budget or project outcomes

The amount of additional compensation given for a fixed increase should be based on the degree of increased responsibility, the incumbent’s current salary relative to the market rate and the incumbent’s current salary relative to others in the same or comparable roles.

Supervisors are urged to consider if the additional job responsibilities constitute a permanent change to the job. If the change is temporary in nature, a temporary salary adjustment may be appropriate. See the “Temporary Salary Adjustment” section below.
If a fixed compensation increase is awarded but the additional responsibilities (those that justified the increase) are removed within six months of the date the increase was awarded, compensation will be reduced by up to the amount of the fixed increase.

For assistance with fixed decreases, please contact the Office of Human Resources.

**Temporary Salary Adjustment (impacts supplemental pay)**

Occasionally it may be necessary for individuals to take on, in addition to their current workloads, temporary duties or responsibilities that are not part of their jobs. Additional responsibilities warrant consideration of a temporary salary adjustment if they are temporary, outside the scope of the position description and of a more complex nature.

Temporary salary adjustments can take the form of staff, administrative, or grant-related adjustments. Temporary salary adjustments impact supplemental pay and are commonly referred to as simply “supplements.” Supplements are removed when the circumstances that warranted them (the additional responsibilities) are removed (e.g., when an individual steps down from an interim or temporary appointment). Non-removal of the supplement is considered an exception to the guidelines and requires approval by the President and the Board of Trustees Compensation Committee.

**Staff Temporary Salary Adjustment (impacts supplemental pay)**

Staff temporary salary adjustments may be awarded to individuals in the state of South Carolina classified or unclassified FTE positions who temporarily take on significant additional responsibilities of a more complex nature. The temporary salary adjustment is removed when the additional responsibilities are removed. Job complexity refers to expectations related to a change in the type of problem solving and accountability equivalent to the standards for base salary adjustments.

A staff temporary salary adjustment is not to exceed 12 months. If the temporary salary adjustment must exceed 12 months, it must be extended with approval from the Office of Human Resources. If additional responsibilities that would warrant another temporary salary adjustment are being considered, the expired temporary salary adjustment should be removed, and a job evaluation should be conducted to determine the new appropriate salary. For an explanation of job evaluations, see “Hiring Actions” above.

OHR will notify colleges/divisions when temporary salary adjustments are due to expire.

**Administrative Temporary Salary Adjustment (impacts supplemental pay)**

An administrative salary adjustment is warranted when an unclassified FTE employee temporarily assumes an additional administrative job. For example, a department chair who accepted the position of interim dean would be eligible for an administrative salary adjustment. A supplement of 10 percent is standard compensation for taking on the position of department chair or school director, while a supplement of 10 to 20 percent is standard compensation for taking on the position of interim dean or vice president. Any percentages above these amounts are considered exceptions to the guidelines and require approval by the President and the Board of Trustees Compensation Committee.

The supplement is removed when the additional administrative responsibilities are removed.
Grant Temporary Salary Adjustment (impacts supplemental pay)
A grant temporary salary adjustment may be awarded to any faculty or staff working on a grant who takes on additional, grant-related responsibilities. As with all temporary salary adjustments, the adjustment is removed when the additional responsibilities are removed.

Any grant-related adjustments to salary must be done in accordance with both sponsor agreements and federal requirements for accounting of sponsored funds and effort.

Additional Skills or Knowledge (impacts base pay)
A salary increase for additional skills or knowledge may be awarded when a job requires expanded skills and knowledge, and the incumbent consistently acquires new relevant and required knowledge and demonstrates skill at applying that knowledge. Increases vary and should be based on individual circumstances. Enhanced performance due to ongoing learning and development should be recognized through performance-based salary adjustments.

Voluntary Lateral Transfer (impacts base pay)
A lateral transfer occurs when an individual accepts another position in the same salary range. Salary adjustments are not recommended for position changes of this nature, but lateral transfers should be reviewed by OHR to ensure that the transferring salary is appropriate for the new position.

Reassignment of Responsibilities (impacts base pay)
The reassignment of an individual can be voluntary or involuntary, and the basis for the reassignment can vary from departmental reorganization to subpar performance.

Reassignment is a rare event and state regulations governing reassignment are complicated. Please contact the Office of Human Resources for assistance navigating these compensation actions.

PERQUISITES
In some cases, employees may receive reimbursement or allowances for certain types of expenditures. These types of perquisites—not offered generally to employees—are appropriate under two circumstances:

- The practice reflects a standard market practice for a job and is considered essential to recruit and retain top talent
- The practice reflects a business need (e.g., car allowances for jobs where road travel is extensive)

Allowances and reimbursements should not be used in lieu of appropriate market and performance-based compensation mechanisms. Any program for allowances and reimbursement beyond those allowed in the travel and expense policy, must:

- Be documented and reviewed by the Office of Human Resources
- Be consistently offered to employees in similar job categories (unless it will be reflected in a negotiated contract)
### APPENDIX A – THE PRESIDENTIAL AND ACADEMIC ADMINISTRATION

<table>
<thead>
<tr>
<th>Level</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>A – President</td>
<td>President</td>
</tr>
<tr>
<td>B – Executive Vice Presidents</td>
<td>Executive Vice President of Academic Affairs and Provost</td>
</tr>
<tr>
<td></td>
<td>Executive Vice President of Finance and Operations</td>
</tr>
<tr>
<td>C – Vice Presidents, Associate Vice Presidents and Chiefs</td>
<td>Vice Presidents</td>
</tr>
<tr>
<td></td>
<td>Executive Secretary to the Board of Trustees</td>
</tr>
<tr>
<td></td>
<td>Athletics Director</td>
</tr>
<tr>
<td></td>
<td>Chief Diversity and Inclusion Officer</td>
</tr>
<tr>
<td></td>
<td>Chief of Staff for President</td>
</tr>
<tr>
<td></td>
<td>General Counsel</td>
</tr>
<tr>
<td>D – Academic Administration</td>
<td>Deans of Colleges</td>
</tr>
<tr>
<td></td>
<td>Dean of Libraries</td>
</tr>
<tr>
<td></td>
<td>Vice Provosts</td>
</tr>
</tbody>
</table>

The presidential and academic administration is determined by the role of the position in support of presidential and academic leadership. Positions above may be added/removed by the president or the Compensation Committee; however, any change requires approval by the president and the Compensation Committee.

### APPENDIX B – ATHLETIC STAFF REQUIRING COMPENSATION COMMITTEE APPROVAL

<table>
<thead>
<tr>
<th>SPORT</th>
<th>TITLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>A - Football</td>
<td>Head Coach and Assistant Coaches</td>
</tr>
<tr>
<td>B - Baseball</td>
<td>Head Coach</td>
</tr>
<tr>
<td>C - Men’s Basketball</td>
<td>Head Coach and Assistant Coaches</td>
</tr>
<tr>
<td>D – Any sport with a salary exposure above $500,000</td>
<td>Any Athletic Staff</td>
</tr>
</tbody>
</table>