



## **Compensation Guidelines**

**Updated and approved by the BOT: April 2022**

# Compensation Guidelines – Effective April 2022

## 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 identifies the market position (the 25<sup>th</sup>, 50<sup>th</sup> and 75<sup>th</sup> percentile of the competitive market), which is used to place each position into the appropriate pay range. 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.
- Compensation actions should be considered one time per year per faculty/staff member, generally at the end of the Performance Management review cycle. The action should align with the Budget. Some exceptions may apply.
- 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 (an element of the Total Rewards strategy) 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 may 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) executive administration, and 4) athletic-specific positions.

Clemson targets the University’s overall compensation position as a means to place each job into the appropriate pay range. Compensation is to be competitive for comparable jobs based on the geography from which the job is recruited. Wherever possible, Clemson attempts to apply multiple external and internal data sources in order to support the most effective evidence-based decisions.

Employee Segment	Geographies	Comparisons	Data Sources
Faculty	National	Combination of R1 and R2 institutions  Subsets of institutions where specific comparisons are appropriate	Oklahoma Salary Survey CUPA-HR Academic Analytics Other
Staff	Local Regional National	Public and Private Sector Employers  Higher Education Institutions (where applicable)	PayFactors CUPA-HR CompData Other
Executive Administration	National	Combination of R1 and R2 institutions  Appropriate hiring targets set by Provost’s office	CUPA-HR PayFactors CompData Other
Athletics (Positions Unique to Athletics)	Conference	ACC (Atlantic Coast Conference); SEC (Southeastern Conference)  Power 5 Conference: ACC, Big 10, Big 12, Pac 12, and SEC.	LEAD1 – all athletics-specific positions  WIN-AD – positions with contracts

# 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 continues excellence in the University's athletic programs. 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 properly administered. The committee annually reviews compensation studies, market data and other relevant compensation- related information in the execution of its responsibilities.

Further scrutiny by the Board of Trustees Compensation Committee is required for all employee compensation and contractual actions including those in the Athletics Department, which:

- (a) are for the Senior Executive positions listed in Table A below;
- (b) establish a total annual taxable compensation of \$350,000 or more;
- (c) establish a total annual taxable compensation of \$200,000 or more when the total annual taxable compensation is greater than the 75<sup>th</sup> percentile of the appropriate market range for that position;
- (d) creates a contractual exposure to the university of \$500,000 or more; or
- (e) creates a supplemental benefits plan such as a deferred compensation plan or a split dollar life insurance benefit.

Click [here](#) for a full copy of the Board of Trustees Compensation Charter.

## 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 provide approval for all hires and salary actions that establish a total annual taxable compensation of \$200,000 or more when the total annual taxable compensation is greater than the 75<sup>th</sup> percentile of the appropriate market range for that position and this approval may not be delegated.

## CHIEF HUMAN RESOURCES OFFICER

In executing the compensation strategy, Clemson University's Chief Human Resources 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 Resources 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 Resources Officer must provide approval for all executive, faculty, and staff hires and salary actions that establish a total annual taxable compensation of \$200,000 or when the total annual taxable compensation is greater than the 75<sup>th</sup> percentile of the appropriate market range for that position 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 provide approval for all hires or salary actions for academic personnel that establish a total annual taxable compensation of \$200,000 or more or when the total annual taxable compensation is greater than the 75<sup>th</sup> percentile of the appropriate market range for that position 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.

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, pay ranges 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. In determining these trends, the 25<sup>th</sup>, 50<sup>th</sup> and 75<sup>th</sup> percentiles as identified in approved salary surveys will be considered as well as national market progression averages. 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 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 Staff Position Description (PD)

Staff position descriptions are 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 and determine state classification
- 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.

Helpful link(s):

[Position Description Form](#)

[Quick Reference for Completing the PD Form](#)

## Resources available to assist you

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 (reclassification)

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.

[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, and the business officer. Some compensation actions also require additional approval by the Budget Office and Dean/VP.

## HIRING ACTIONS

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

### **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 determines the appropriate job title and status. The result of a job evaluation places the position into the appropriate salary range. The salary range defines the minimum and maximum base pay for the job.

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.



## **Clemson Salary Ranges and State Pay Bands**

Every position at Clemson University is assigned a competitive Clemson salary range based on market data. The salary range defines the minimum and maximum compensation for a group of jobs with similar knowledge, skills and abilities as well as median market positions. Individuals in the state of South Carolina classified positions are in salary ranges governed by the state pay bands. While market-relevant data are 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 the 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. Clemson salary ranges will be established by OHR based on competitive market data and will have range spreads that allow employees base salary growth and career progression. Once a competitive salary range is established by the Office of Human Resources, 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.

Unclassified state titles should be used for faculty, executives, or staff when an appropriate classified staff title doesn't exist. For unclassified positions, market ranges will be assigned based on relevant duties and market data. For hiring salaries, the Board of Trustees Compensation Committee must be provided with approval in writing from the President, the Chief Human Resources Officer, and the Provost, where applicable, prior to an offer being extended for any hire with an established annual taxable compensation of \$200,000 or more when the total annual taxable compensation is greater than the 75<sup>th</sup> percentile of the appropriate market range for that position. These approvals may not be delegated.

Helpful Link:

[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. OHR will 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 assigned salary range.

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 internal relationship of incumbents in comparable jobs. This will ensure internal equity is maintained within the University. The table below depicts the typical relation between a new hire and the market median:

**Applicant's Relationship to Market Median**

	<b>Clemson Salary Range Minimum</b>	<b>Clemson Salary Range Midpoint</b>	<b>Clemson Salary Range Maximum</b>
<b>Work Experience</b>	Meets Years Required	Experience	Exceeds Requirements
<b>Technical Skills</b>	Novice	Demonstrated Technical Skills	Expert
<b>Qualifications/Credentials</b>	Minimum	Qualifications/Credentials	Additional, but Job Relevant

**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. Please note that these actions may be combined when necessary to achieve the appropriate action for an individual faculty or staff member. For example, a high performing individual that has accepted increased duties, may receive a combined performance and responsibility-based salary action.

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**

**Base Salary Actions**

**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 state pay band for the new position.

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 (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 contribute fully 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. Approval in writing from the Board of Trustees Compensation Committee, the President, Chief Human Resource Officer, and the Provost, when applicable, must be obtained prior to a promotion or position adjustment offer with an established annual taxable compensation of \$200,000 or more when the total annual taxable compensation is greater than the 75<sup>th</sup> percentile of the appropriate market range for that position. 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. OHR will need to approve of the demotion prior to its implementation.

**Incentive Compensation / Variable Pay**

Incentive compensation and variable pay are one-time payments are not included in base pay.

It is important to note that some incentive and variable pay are regulated by the state of South Carolina, while others are customized to incent demonstrated high-performance and/or achievement of stretch objectives.

Regardless of the type of plan chosen, the college/division must work with OHR to establish objective criteria in order to use any of the incentive/variable pay options. All variable/incentive plans must be approved by the President, Chief Human Resources Officer and the ELT.

The following chart lists established incentive/variable pay methods.

<b>Tool</b>	<b>Purpose</b>
Staff Awards	Annually recognize exceptional staff contribution at the University level. Program Details: <a href="https://www.clemson.edu/administration/bot/awards/staff.html">https://www.clemson.edu/administration/bot/awards/staff.html</a>
Faculty Awards	Annually recognize exceptional faculty contribution at the University level. Program Details: <a href="https://www.clemson.edu/administration/bot/awards/faculty.html">https://www.clemson.edu/administration/bot/awards/faculty.html</a>
President's Leadership Institute	Program to recognize high performers on the faculty and staff level. Program Details: <a href="https://www.clemson.edu/president/leadership-institute/">https://www.clemson.edu/president/leadership-institute/</a>
Bonus	To recognize successful performance or contribution within the year – Maximum of \$3,000 per year. <a href="https://admin.sc.gov/dshr/types_of_pay">https://admin.sc.gov/dshr/types_of_pay</a>
Award Program policy	To recognize a significant achievement or milestone with material impact on University resources or achievement of strategic goals - Maximum of \$10,000 per year. <a href="https://hr.app.clemson.edu/poly-proc/view_document.php?id=148">https://hr.app.clemson.edu/poly-proc/view_document.php?id=148</a>
Unit Awards	To honor and recognize achievements within a College or Unit – Maximum of \$5,000 per year.
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. (see below)

## **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 in order 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 (including participation in other plans)
- 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 Resources 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.

## 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 regular 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 identified individual positions or categories of positions, will be integrated into a recommendation by the Office of Human Resources and presented for approval to the Provost (if faculty) and the Budget Office. The Office of Human Resources and Provost Office are responsible for properly communicating and administering the approved 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 of market competitive adjustments. Compensation actions should occur during the compensation plan after performance reviews.

### **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.
  - Faculty retention offers must be coordinated through the Provost’s Office
- 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.

On rare occasions, an Additional Skills or Knowledge Increase may be granted as a retention tool when an employee gains additional skills or knowledge directly related to their job. (Example: A Trades Specialist in Facilities receives an HVAC certification)

### **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 state 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 includes: 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. A typical TSA ranges from 5-15% 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). Nonremoval 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 (TSA) impacts supplemental pay.** Staff TSAs 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 (TSA) impacts supplemental pay.** An administrative salary adjustment is warranted when an unclassified FTE employee in a certain job title 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. Temporary salary adjustments vary based upon salary of individuals. For example, a market analysis is conducted of other interim deans, department chairs, directors, etc. Depending on where the employees’ salary currently is, a temporary adjustment will be provided to get him/her to the median (or higher depending on performance and justification.) The temporary salary adjustment will be removed as soon as the short-term assignment is ended and/or evaluated on an annual basis. Typically, these do not exceed 3 years.
- **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, provided the grant allows for such temporary salary adjustment. 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.

- **Lateral Transfer (may impact 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)



**Table A**  
**Committee Approval Required for Compensation Actions for the following Senior Executive Positions**

<b>Reporting Level</b>	<b>Title</b>
A- Board Reports	Executive Secretary to the Board
	Special Advisor to the Board
	Director of Internal Audit
B- Executive Vice Presidents, Vice Presidents, Chiefs, Directors, and other Senior Executives who report directly to the President	Executive Vice President Academic Affairs and Provost
	Executive Vice President for Finance & Operations / Chief Operations Officer
	Director of Athletics
	Vice President & Chief of Staff
	Vice President for Development & Alumni Relations
	Chief Diversity Officer
	Vice President for External Affairs
	General Counsel
	Associate Vice President & Executive Director Institutional Excellence
	Vice President for Student Affairs
	Vice President for University Relations
C – Deans and other Senior Executives who report directly to the Provost	Deans of Colleges (including Honors College)
	Deans for Undergraduate and Graduate Studies
	Dean of Libraries
	Vice President & Chief Information Officer
	Vice President of PSA
	Vice President for Research

1. Approval of compensation actions for interim and acting appointments is required for all positions above.
2. Newly created positions of similar levels will typically require approval. The Chair of the Compensation Committee is authorized to determine if a newly created position requires approval for compensation actions, with the Committee being notified of the decision prior to any action.

