Compensation Guidelines

Updated and approved by the BOT: February 2019
Compensation Guidelines – Effective February 2019

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 25th, 50th and 75th 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.
- 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.
- Compensation actions will be considered one time per year per faculty/staff member, generally at the end of the Performance Management review cycle. Some exceptions may apply.
- 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 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.
<table>
<thead>
<tr>
<th>Employee Segment</th>
<th>Geographies</th>
<th>Comparisons</th>
<th>Data Sources</th>
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<td>Staff</td>
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<td>CompData</td>
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<td>Other</td>
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<tr>
<td>Administrators</td>
<td>National</td>
<td>Combination of R1 and R2 institutions</td>
<td>CUPA-HR</td>
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<td></td>
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<td>Appropriate hiring targets set by Provost’s office</td>
<td>PayFactors</td>
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<td>CompData</td>
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<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 maintains excellence in the University’s athletic programs. Such policy must apply to all faculty, staff, administrators and coaches (Appendix B). 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. In addition, it is expected the policy will be 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 properly administered.
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 provide written approval for all hires and salary actions above the established pay range for the job or above $200,000 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 provide written approval for all hires and salary actions above the established pay range for the job and greater than $200,000 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 written approval for all hires or salary actions for academic personnel above the established pay range for the job or above $200,000 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 established pay range for the job 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, 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 25th, 50th and 75th 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 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 (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.

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 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.

For hiring salaries greater than $200,000 and above the 75th percentile of the competitive market range, the Chief Human Resource Officer and the President must provide the Board of Trustees their approval in writing 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. 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:

<table>
<thead>
<tr>
<th>Applicant's Relationship to Market Median</th>
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<tbody>
<tr>
<td>Clemson Salary Range Minimum</td>
</tr>
<tr>
<td>-----------------------------------</td>
</tr>
<tr>
<td>Meets Years Required</td>
</tr>
<tr>
<td>Novice</td>
</tr>
<tr>
<td>Minimum</td>
</tr>
</tbody>
</table>

For hiring salaries greater than $200,000 and above the 75th percentile of the competitive market range, the Chief Human Resource Officer and the President must provide the Board of Trustees their approval in writing 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. 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 unclassified staff positions, a position adjustment is considered a promotion when an individual accepts a new position that is at least one Clemson salary range above the individual’s current salary range.

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 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. 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. 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 and 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.

<table>
<thead>
<tr>
<th>Tool</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Awards</td>
<td>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></td>
</tr>
<tr>
<td>Faculty Awards</td>
<td>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></td>
</tr>
<tr>
<td>President’s Leadership Institute</td>
<td>Program to recognize high performers on the faculty and staff level. Program Details: <a href="https://www.clemson.edu/administration/president/leadership-institute/">https://www.clemson.edu/administration/president/leadership-institute/</a></td>
</tr>
<tr>
<td>Bonus</td>
<td>To recognize successful performance or contribution within the year – Maximum of $3,000 per year. <a href="https://hr.app.clemson.edu/poly-proc/view_document.php?id=138">https://hr.app.clemson.edu/poly-proc/view_document.php?id=138</a></td>
</tr>
<tr>
<td>Incentive Bonus (includes Team Awards)</td>
<td>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=139">https://hr.app.clemson.edu/poly-proc/view_document.php?id=139</a></td>
</tr>
<tr>
<td>Unit Awards</td>
<td>To honor and recognize achievements within a College or Unit – Maximum of $5,000 per year.</td>
</tr>
<tr>
<td>Unit Pay Plans</td>
<td>Some units have provisions for additional base building or variable rewards based on relevant criteria</td>
</tr>
<tr>
<td>Contract Provisions</td>
<td>To define performance criteria and metrics and tie rewards to them.</td>
</tr>
<tr>
<td>Customized Reward Plans</td>
<td>Customized plans developed in consultation with and approved by the CHRO which recognize and reward performance and achievement of the university goals. (see below)</td>
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</tbody>
</table>
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
- 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.

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 is 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.

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.

**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 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. 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, not to exceed three 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)
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>
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<tr>
<td></td>
<td>Athletics Director</td>
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<tr>
<td></td>
<td>Chief Diversity and Inclusion Officer</td>
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<tr>
<td></td>
<td>Chief of Staff for President</td>
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<tr>
<td></td>
<td>General Counsel</td>
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<tr>
<td>D – Academic Administration</td>
<td>Deans of Colleges</td>
</tr>
<tr>
<td></td>
<td>Dean of Libraries</td>
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<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>