

UNIVERSITY OF DENVER POLICY MANUAL ADDITIONAL PAY PROCEDURES

Responsible Department: Human Resources

Recommended By: Provost and Executive Vice Chancellor, SVC Business and Financial Affairs and Interim Vice Chancellor of

Human Resources and Inclusive Community

Approved By: Chancellor

Policy Number 5.10.020

Effective Date

I. INTRODUCTION

To compensate current employees for temporarily assuming additional duties beyond their current classification in order to meet an objective (long-term special project) and/or under extraordinary working conditions such as job vacancy or extended leave of absence. In order to promote equitable treatment, the University must consistently apply these procedures for additional pay.

Budget Accountability:

Impacted department's salary budget; reoccurring expense throughout temporary assignment.

II. POLICY OVERVIEW

Eligibility:

An employee is eligible for a temporary salary increase under the following conditions:

- When the employee is appointed as interim Dean, Director, or Division Head for a period expected to exceed 30 days but not last longer than 1 year.
 - o For interim assignments, the employee must meet the minimum qualifications of the higher-level position they will be performing
- When the employee is assuming higher level/salary grade duties in addition to his/her own responsibilities on a temporary basis due to the absence of a co-worker or supervisor for a period expected to exceed 30 days but not last longer than 6 months.
- The additional hours required to perform the duties should not exceed 10 20 hours per week.

An employee is *NOT* eligible for a temporary salary increase under the following conditions:

- When the employee is serving in an acting capacity for a period less than 30 days.
- When the employee assumes responsibilities for a subordinate or peer (position is the same grade as the current employee).

- If the amount of work or duration of the work is significant, the supervisor may consider the hire of a temporary employee.
- When the employee is participating in committee work, such as search committees.
- When an employee is completing a project that falls within the scope of their current responsibilities.

*For any situation not falling within these eligibility criteria, the department must contact Human Resources for review on a case by case basis. This includes, for example, when a department wants to extend a temporary assignment of additional duties, and the associated temporary pay increase, beyond 6 months.

III. PROCESS/PROCEDURE OVERVIEW

Scenarios:

<u>Temporary Assignment:</u> This situation occurs when an assignment lasts at least 30 days, but no more than 6 months, and involves a higher level of duties than the employee's current duties, which the employee performs in addition to their current responsibilities. This may or may not include project work. The additional pay will be up to 10% of midpoint of the grade for the higher level duties role-based on the percentage of the duties of the higher role being performed. (see chart in Appendix).

Example: A Project Coordinator (grade 7) takes on work from a recently vacated Assistant Director position (grade 9). The Project Coordinator would receive a monthly temporary increase to their salary of \$485 not to exceed 6 months.

<u>Interim Assignment:</u> This situation occurs when an employee stops doing their current duties and fully assumes the role of a higher level position for at least 30 days but no more than one year. This may or may not include project work. The HR Compensation Team will review the interim role to provide a range at market level for the temporary salary increase.

Process

- Prior to assigning the additional duties to the employee or making the interim appointment, the department must submit the following information to the HR Compensation Team for review:
 - Explanation/description of the additional duties
 - O Start date and end date to the additional duties
- The HR Compensation Team will review the additional duties or interim role to determine the appropriate temporary increase amount, taking into account the following:
 - o The grade of the job the additional duties come from.
 - o Internal equity and market data.

- Only after the HR Compensation Team informs the department of the amount of the approved temporary increase can the department inform the employee of the temporary increase.
- The increased amount will be added to the employee's paychecks for the duration of the assignment:
 - When the employee is no longer performing the temporary additional job duties or interim appointment, the employee's salary will revert to their former base salary, plus any annual merit increase as applicable.

Spot Bonus Lump-Sum Payments

Purpose:

Generally, bonus lump sum payments should only occur during the merit process when University funds have been made available to award bonuses to employees based on their performance for the designated year. However, there are special situations that justify the payment of a lump sum to an employee outside of the merit process (*See Scenarios below*).

Budget Accountability:

Impacted department's salary budget; one-time expense.

Eligibility:

All benefitted staff are eligible for lump-sum payments.

Scenarios:

- Project work performed by an employee that significantly increased their workload but did not meet the criteria for the temporary increase.
- The amount of the lump sum must not exceed 10% of the employee's current annual salary.
- Retention of a critical employee after the departure of a unit leader, during a critical project, or other extenuating circumstances as approved.
- Unless otherwise approved, the amount of the lump sum must not exceed 10% of the employee's current annual salary.
- An employee takes on additional work, but does not meet the criteria for a temporary increase because they take on duties of a peer (position in the same grade).

In certain circumstances, an employee may be eligible for a spot bonus under the following conditions:

• The staff member performed above and beyond expectations on a university wide project or goal; and

- The staff member went above and beyond the normal responsibilities required by his/her position; and
- The employee must be in good standing.

Extraordinary achievement may be indicated by a single noteworthy action or a succession of extra efforts accomplished over a period of time. The performance must be measurable using discrete benchmarks/standards and have a beneficial net effect for the University. The written recommendation must be very specific and quantify exactly the effort and the outcome.

Process:

- The division Budget Officer should complete a Special Recognition for Employee form (SRE) with all required information and submit to HR Compensation for approval.
- If HR Compensation approves the SRE, they forward the SRE to the Budget/Provost Office for approval.
- If the Budget/Provost Office approves SRE, they send the approved SRE to Shared Services for payment.

SIGNING BONUSES

Purpose:

A signing bonus is a lump sum payment offered to a candidate of a unique and/or hard-to-fill position to address extraordinary and validated circumstances associated with the candidate's current compensation and/or the challenges of the recruitment efforts. It is not intended to equalize a candidate's current total compensation.

Budget Accountability:

Impacted department's salary budget; one-time expense.

Eligibility:

The following positions are eligible for signing bonuses:

- Executive Staff, Assistant Vice Chancellors, Assistant Deans, and Directors
- Unique and/or hard-to-fill positions as identified by HRIC and Recruiting prior to the initiation of the recruitment.

Scenarios:

Prior to the posting of a position, HRIC and Recruiting will review the position for signing bonus eligibility. After a successful candidate is presented with an offer, if the candidate makes a counteroffer including a bonus, HR Compensation determines the bonus amount, considering internal equity issues to promote equitable pay practices across the university. The bonus amount may vary, but typically will be no more than 10% of the offered annual salary. Some example situations are below:

- Scarce qualifications or skill set within targeted labor source
- Hard-to-fill positions as identified by HRIC and Recruiting
- A potential candidate would likely lose significant and meaningful compensation; typically, a bonus that is validated to be earned but not yet paid.

All bonus payments will be presented as a gross amount and are subject to applicable withholding per IRS rules and regulations. Usually half (½) of the amount is paid with first paycheck with the remaining amount to be paid following six (6) months of employment provided that the employee meets performance expectations.

Process

- The division Budget Officer must submit a request for signing bonus to HR Compensation along with the request for the Compensation Statement.
- HR Compensation will review the request and, in conjunction with Recruiting, approve or deny the request and determine the bonus amount.
- Approved requests will be sent back to the Budget Officer to submit into the PAR along with the Compensation Statement.

REQUESTS FOR RETROACTIVE SALARY ADJUSTMENTS

Salary adjustments will be made effective the day they are recorded in the HR/Payroll system. If paperwork is delayed past the payroll deadline and the delay requires retroactive pay, base salary can only be backdated up to 30 days. Back pay will be included in the employee's next regular payroll check once the record has been updated. If there are extenuating circumstances over which the unit had no control that would dictate backdating a pay increase more than 30 days, the unit must request approval from the Vice Chancellor for Human Resources or the Senior Vice Chancellor for Finance and Treasurer for the additional pay to be disbursed as a lump-sum payment.

Date Revised	Purpose	Effective Date	Approved by

IV. DEFINITIONS

None.

APPENDIX
Temporary Salary Increase Chart:

Grade	Midpoint	Annual Increase Amt.	Monthly Increase Amt.
1	\$29,100	\$2,910	\$243
2	\$31,400	\$3,140	\$262
3	\$34,000	\$3,400	\$284
4	\$36,700	\$3,670	\$306
5	\$39,600	\$3,960	\$330
6	\$43,600	\$4,360	\$364
7	\$48,000	\$4,800	\$400
8	\$52,800	\$5,280	\$440
9	\$58,100	\$5,810	\$485
10	\$65,000	\$6,500	\$542
11	\$72,800	\$7,280	\$607
12	\$81,600	\$8,160	\$680
13	\$91,400	\$9,140	\$762
14	\$105,100	\$10,510	\$876
15	\$120,800	\$12,080	\$1,007
16	\$138,900	\$13,890	\$1,158
17	\$163,900	\$16,390	\$1,366
18	\$193,500	\$19,350	\$1,613