# **Compensation**

The University annually reviews individual staff wages and salaries as well as its entire salary structure, and develops fiscal year <u>staff wage and salary increase guidelines</u> for non-represented staff. These guidelines provide for individual wage and salary adjustments as well as structural adjustments. Pay increases take effect annually. Specific questions about pay levels and annual increases may be addressed to the HRS <u>Employee Information Center</u> (228 Waterman, or call 656-3150).

Fiscal year wage increase guidelines for represented staff are described in each union contract.

- Position Classification
- Hours of Work and Overtime
- <u>Supplemental Compensation and Outside Employment for Non-Exempt Employees</u>
- Supplemental Compensation and Outside Employment for Exempt Employees

# **Position Classification**

Each UVM staff position has been classified by HRS and assigned a title and pay band. Job classification is based on an assessment of the duties and responsibilities of the position by HRS staff using UVM's career/pay job classification system. This classification system enables Human Resource Services to monitor the large number of jobs at UVM, compare the compensation of UVM employees with each other and with local and national job markets.

Review of an existing position can be requested by you, your supervisor, or another appropriate administrator. A request for a review is normally processed through your supervisor and the appropriate budget officer. A review is based on an analysis of duties and responsibilities of the position by HRS staff. The process usually takes four to six weeks. Normally, upon reclassification of a position to a higher pay band, you are eligible for a pay increase of no less than five percent or the minimum of the new pay band, whichever is greater.

# Hours of Work and Overtime

All overtime work must be approved by your supervisor in advance, and the method of compensation (compensatory time or payment) will be determined in accordance with the following statements of policy. If unauthorized overtime occurs, it may be addressed as a performance issue resulting in corrective discipline.

## Hours of Work for Hourly Non-Exempt Employees

The normal work week for hourly non-exempt employees is 40 hours. Normal work hours may be more than eight hours per day, but the normal work week is still 40 hours. The pay period (scheduled work week) starts with any scheduled shift beginning after 12:01 a.m. on Monday, and ends at midnight the following Sunday. Paychecks for hourly employees are distributed every other Friday, (or prior to Friday if Friday is a holiday). The paycheck reflects earnings of the previous two work weeks.

Changes in work schedules must be posted seven calendar days in advance to allow employees the opportunity to make necessary arrangements. Schedule changes may occur with less than seven calendar days' notice if there is agreement between you and your supervisor, or if there is an emergency.

#### Compensation for Working Overtime—Hourly, Non-Exempt Employees

Non-exempt staff members may be compensated for overtime worked in the form of compensatory time rather than dollars.

Those employees whose normal work week is 40 hours will be paid overtime at the premium rate of time and one half for all hours in excess of 40. Those employees who work 37.5 hours will be paid overtime for all hours worked in excess of 37.5 per week.

Until a non-exempt staff member has accumulated 40 hours of compensatory time generated from working overtime, he or she will be free to choose between compensation in dollars or in compensatory time. All overtime worked will be compensated at the premium rate of time and one-half, whether payment is made in compensatory time or in dollars.

After 40 hours of compensatory time has been accumulated, the supervisor may choose either to pay for overtime in dollars or to offer compensatory time in lieu of dollars. In every instance, though the supervisor may offer payment in compensatory time, the employee may always choose to be paid in dollars.

A maximum of 80 hours of compensatory time may be accumulated. After reaching 80 hours of compensatory time, the employee will be paid for any additional overtime worked in the form of dollars. As compensatory time is used by the employee and his/her accumulation drops below 80 hours, s/he will again be able to accumulate compensatory time. If the total accumulation of compensatory time drops below 40 hours, s/he will again be free to choose compensatory time rather than dollars.

Once compensatory time is earned, the employee should notify his/her supervisor at least two weeks in advance if s/he is planning to use more than two days of compensatory time, and at least 72 hours ahead if s/he is planning to use two days or less of compensatory time. Normally the employee will be permitted to use accumulated time after making the request and giving the appropriate notice, provided that the compensatory time off does not unduly disrupt the operations of the department.

Upon separation of employment from the University, the employee with accumulated compensatory time must be paid for all unused compensatory time in dollars. Upon transfer to another college or department, the employee must be paid in dollars for accumulated compensatory time. The organization which the employee is leaving will be responsible for making the cash payment.

**Each college and department will be responsible** for maintaining a record of an employee's consent to be paid in compensatory time rather than dollars and all hours worked must be recorded within the University's time records.

#### Hours of Work for Salaried, Non-Exempt Employees

The normal work week for salaried non-exempt employees is 37.5 or 40 hours, as scheduled. The scheduled work week begins at 12:01 AM on Monday, and ends at midnight on Sunday. The pay periods for salaried non-exempt employees are from the first to the 15th of the month, and from the 16th to the last day of each month. Paychecks for salaried non-exempt employees are distributed on the 15th and 30th of each month, or the work day before if those dates fall on a weekend or holiday. All overtime, whether taken in compensatory time or dollars, is paid at a premium rate of time and one-half for hours worked in excess of a normal work week.

#### Compensation for Working Overtime—Salaried, Non-Exempt Employees

Non-exempt staff members may be compensated for overtime worked in the form of compensatory time or dollars.

Those employees whose normal work week is 40 hours per week will be paid overtime at the premium rate of time and one half for all hours in excess of 40. Those employees who work 37.5 hours will be paid overtime for all hours worked in excess of 37.5 per week.

Until a non-exempt staff member has accumulated 40 hours of compensatory time generated from working overtime, s/he will be free to choose between compensation in dollars or in compensatory time. All overtime worked will be compensated at the premium rate of time and one-half, whether payment is made in compensatory time or in dollars.

After 40 hours of compensatory time has been accumulated, the supervisor may either choose to pay for overtime in dollars or offer compensatory time in lieu of dollars. In every instance, though the supervisor may offer payment in compensatory time, the employee may always choose to be paid in dollars.

A maximum of 80 hours of compensatory time may be accumulated. After reaching 80 hours of compensatory time, the employee will be paid for any additional overtime worked in the form of dollars. As compensatory time is used by the employee and his/her accumulation drops below 80 hours, s/he will again be able to accumulate compensatory time. If the total accumulation of compensatory time drops below 40 hours, s/he will again be free to choose compensatory time rather than dollars.

Once compensatory time is earned, the employee should notify his/her supervisor at least two weeks in advance if s/he is planning to use more than two days of compensatory time, and at least 72 hours ahead if s/he is planning to use two days or less of compensatory time. Normally, the employee will be permitted to use accumulated time after making the request and giving such notice, provided that the compensatory time off does not unduly disrupt the operations of the department.

Upon separation of employment from the University, the employee with accumulated compensatory time must be paid for all unused compensatory time in dollars. Upon transfer to another college or department, the employee must be paid in dollars for accumulated compensatory time. The organization the employee is leaving will be responsible to make the cash payment.

Each college and department will be responsible for maintaining a record of an employee's consent to be paid in compensatory time rather than dollars and all hours worked must be recorded within the University's time records.

#### Compensation for Working Overtime—Exempt Employees

Typically, exempt employees are not entitled to compensation for overtime at either a premium rate or a straight-time rate. In instances where overtime becomes a frequent necessity, exempt employees may be granted compensatory time off on a one-for-one basis. To be compensated by payment in dollars rather than time off, prior approval of the Dean/Director and appropriate Vice-President/Provost must be obtained.

## Shift Premium (Non-Exempt Employees)

Shift premium will be paid to all regular non-exempt salaried and hourly employees who are covered by the Fair Labor Standards Act, and who are assigned on a regular or rotating basis to second and third shifts. Non-exempt employees whose regular shift begins between 5:00 AM and 2:00 PM (first shift) are not eligible for a shift premium, even though they may work overtime hours during second or third shift.

For non-represented staff, shifts starting between 2:00 PM and 10:00 PM (second shifts) will be paid a differential of 6% of the minimum hourly rate of the employee's pay band for all hours worked during the shift.

For non-represented staff, shifts starting between 10:00 PM and 5:00 AM (third shifts) will be paid a differential of 8% of the minimum hourly rate of the employee's pay band for all hours worked during the shift. If you work a rotating shift, you will be paid a differential of 8% of the minimum hourly rate of your pay range for all hours worked while assigned to a rotating shift, regardless of the actual hours in which the work is performed. The shift premium must be added to the base rate by the supervisor, and the new rate is used to calculate pay, including overtime.

For shift premium information for represented staff, refer to the appropriate union contract.

## **On-Call** Assignment

When you are on-call, you must respond to any call for emergency service or assistance by any unit or division of UVM, or by clients who have contracted for services provided by UVM. If you are called back to work and do not come in and do not provide a justifiable reason for refusal to work, you may be subject to disciplinary action.

If you are on-call, you must be reachable by a paging device, telephone, or you must leave word of your whereabouts so you can be contacted without difficulty. You must restrict travel in such a way as to be immediately available to return to your workplace. The individual department policy will determine the communication method and travel restrictions appropriate for the on-call obligation. UVM may, at its sole discretion, implement or abandon an on-call schedule. UVM is not obligated to maintain an on-call schedule beyond the point at which managerial judgment indicates that it is no longer needed.

Typically, on-call periods will be scheduled for durations of one week or less, and the on-call periods will be assigned on a rotating basis. You must be personally notified of the scheduled on-call period verbally or in writing and by posted notice.

Regardless of whether you receive any emergency calls, exempt and non-exempt employees will be compensated for time when they are on-call by an additional payment of 10% of the employee's base rate for the period of the scheduled on-call assignment, not to exceed four hours of pay or four hours of compensatory time for each week of scheduled on-call service. The compensatory time will be taken at a date convenient to you and the department. Your supervisor will make the final determination as to whether the on-call premium will be paid in dollars or compensatory time.

**Note**: If a non-exempt employee works any overtime while on-call, the 10% premium will be included in calculating a new base rate for overtime purposes. For example, a normal hourly rate of \$5.00 would be increased by 10% to \$5.50 and time and one-half would be calculated for that rate.

## Call-Back with Less than 24-Hours' Notice—Non-Exempt Employees

Conditions for call-back occur when you are called back to the workplace for unscheduled work with fewer than 24 hours of notice. A non-exempt employee providing such service will be guaranteed a minimum of three hours of straight-time pay (or shall be paid at the overtime rate of one and a half [1.5] times their regular base rate of pay for all hours worked outside their scheduled shift, whichever is greater). If the on-call hours worked are contiguous to their scheduled shift, the equivalent of three hours of straight-time pay shall be in addition to their scheduled shift. The rate of pay will include the shift premium for those employees assigned on a regular or rotating basis to second or third shifts. If the employee is called back to work in an emergency and s/he does not come in and does not provide a justifiable reason for refusal to work, s/he may be subject to disciplinary action.

Call-back service should not be confused with policies referred to during a University closing for an emergency. (See <u>University Closings</u>.)

Following are two illustrations of the kind of payment that can be expected for working during a call-back with less than 24-hours' notice.

#### Example 1:

A non-exempt employee earning \$10.00 per hour is called back to the workplace for unscheduled work with less than 24 hours of notice, and works 5 hours. In this case, the employee will receive 5 hours of additional pay at the overtime rate (one and one-half times their straight time rate of \$10.00, which equals \$15.00 per hour at the overtime rate), and will be paid a total of \$75.00 for these 5 hours. Or, the employee will be provided with compensatory time at 1½ times the overtime hours as defined under the overtime headings above. In this example, the employee would earn 7.5 hours of compensatory time (1½ times 5 hours worked).

#### Example 2:

A non-exempt employee earning \$10.00 per hour is called back to the workplace for unscheduled work with less than 24 hours of notice, and works 1 hour. In this case, the employee will receive three hours of pay at the normal straight time rate as guaranteed in this policy. S/he would be paid \$30.00 for the hour of work in this example.

#### Call-Back with Less than 24-Hours' Notice—Exempt Employees

For exempt employees recalled to service during an emergency, no additional dollar compensation will be paid. In some instances, compensatory time at the rate of time and one-half the hours worked will be provided. For example, an exempt employee working eight hours during an emergency outside his or her regular work time may be compensated with 12 hours off at a time to be determined with his or her supervisor.

#### Mileage

In an emergency when an employee is at home and is called in for unscheduled work which requires making an extra trip, mileage to and from work will be reimbursed. If in rendering on-call or emergency service, the time overlaps the beginning of the regular workday in which you would have been reporting for work, mileage will not be paid.

# Supplemental Compensation and Outside Employment for Non-Exempt Employees

#### Second University Positions

Non-exempt employees who hold more than one position at UVM will receive compensation for the second position commensurate with compensation normally paid for that position. For example, if an administrative assistant who works in the College of Arts and Sciences wishes to serve as a parking attendant for the Physical Education Department during hours outside the normally scheduled work week, the hourly rate paid will be within the usual rate paid to parking attendants. Compensation for hours worked in excess of the normal work week of 37.5 or 40 hours, however, will be paid at the premium rate of time and one-half.

For example, if an administrative assistant earns \$12.00 an hour in a primary position for 40 hours a week, and also works as a parking attendant at \$7.50 per hour for an additional 10 hours during the same week, the employee's compensation for the week is computed as follows:

40 hours x \$12.00/hour = \$480

\$7.50 hourly rate x  $1\frac{1}{2}$  (premium rate) x 10 hours worked = \$112.50 extra compensation

Total compensation for the week would be \$480 of administrative assistant's pay, plus \$112.50 extra pay as a parking attendant = \$592.50.

If you regularly work less than 37.5 or 40 hours per week, you will receive the premium rate of time and one-half only when your total hours worked exceed a normal 37.5 or 40 hour work week.

Pay rates for secondary classified positions must be approved in advance by Human Resource Services.

## Employment Outside the University

You are free to perform work for other employers as long as the second employment does not negatively affect your ability to perform your regular UVM duties and does not create a conflict of interest. (See <u>Conflict of Interest</u>.)

#### Summer Positions

If your regular term of employment is less than 12 months, you may be employed by UVM during the time outside your normal term of employment. Compensation for such employment will be set at the level appropriate to the work performed. If the work is within your home department and entails the same duties as your regular classification, then compensation will be based on your regular pay rate in effect at the end of the last normal term of employment. Pay rates should be established in advance in consultation with Human Resource Services.

An exception will be made when, within your home department, the work is performed within two weeks of the resumption of your normal term of employment.

All payment for work performed outside your normal term of employment will be extra compensation, and will include overtime pay for non-exempt staff for any hours worked in excess of 37.5 or 40 hours per week, depending on the work schedule of the department in which the work is performed.

# Supplemental Compensation and Outside Employment for Exempt Employees

## Supplemental Compensation for Additional Work Performed within UVM

If you are an exempt employee in benefit group A or B, your salary is intended as compensation for all activities performed during the period of employment for, or in the name of, UVM. Sometimes, however, UVM provides opportunities and incentives to engage in activities beyond an employee's normal assignments.

Assignments for supplemental compensation require written approval of the dean/director and appropriate Vice President/Provost in advance. Such activities must not interfere with your regular responsibilities, including professional development, or be detrimental to your primary job assignment. Examples of assignments for which supplemental compensation may be paid include:

- evening division instruction
- instruction of in-house training sessions when the instruction is outside of normal job requirements
- participation in outreach activities
- short-term and specific consultation on a grant or to an administrative unit, provided the work is outside of normal job requirements

The total amount of supplemental compensation for a defined period of time received by a staff member in benefits group A or B should normally not exceed 20% of the base compensation of the staff member's regular position for the same period of time. The total supplementary service, inside and outside of the University, should not exceed the equivalent of one day per calendar week.

#### Second University Positions

If you are an exempt employee in benefit groups C-F, you will receive compensation for second positions at UVM commensurate with compensation normally paid for such positions. Compensation paid for work performed in second UVM positions will be paid as an extra payment if the second position is not a regular staff position (a regular staff position must either appear on the Position Status report or be an approved hourly position included in the wage budget of the support department).

Pay rates for second positions must be approved in advance by Human Resource Services.

#### Summer Positions

If you work an academic year or ten-month position, you will receive compensation for summer work based on the nature of the work performed during the summer period. Salary rates for summer positions must be determined in consultation with Human Resource Services.

#### Approval for Outside Professional Service

Teaching, research, and service are central to UVM's mission. Appropriate professional service outside the University can enrich academic programs and benefit a variety of public and private agencies and organizations. UVM acknowledges the value of your professional activities that render significant service to the public and at the same time contribute to your own competence as a professional.

In making decisions to engage in professional service or consulting outside UVM, with or without compensation, you must consider, first and foremost, the requirements of your total University commitments and responsibilities.

Exempt staff who wish to engage in outside professional services or consulting must have advance written approval of the appropriate Vice President and Dean/Director. Approval will be granted only for a specified period of time not to exceed one academic or fiscal year. For continuing services or consulting relationships, approval must be obtained at least annually. Such approval is subject to the following conditions:

- services to be performed must be consistent with the mission, responsibilities, and best interest of the UVM department, college or school.
- time spent on outside professional services must not conflict with the priorities and need for your services within your department, college, or school.
- total time devoted to outside services must not exceed the equivalent of one day per week. Occasional approved conferences or activities requiring several consecutive days will be prorated according to the ratio of one day per week.
- if you are also engaged in supplemental UVM services for compensation, the total time for extra service, both within and outside UVM, must not exceed the equivalent of one day per week.
- if you are engaged in consulting or other outside professional service, you must avoid the use of information or procedures that may involve a conflict of interest with UVM responsibilities, particularly relating to an area of on-going research and including sponsored programs with specific contractual restrictions. The signing of a patent or copyright agreement with an outside company or agency may result in a conflict of interest. It is your responsibility to avoid conflicts of interest between personal consulting and sponsored activities affiliated with UVM, and to be aware of conflict of interest statutes and regulations that may pertain. See <u>Conflict of Interest</u>.

If you are engaged in outside professional activities for compensation, you must not use the name of the University of Vermont (UVM) so as to suggest institutional endorsement or support of a non-UVM enterprise. Neither business cards bearing UVM's name and address, nor UVM stationery is to be used in connection with outside consulting activities. If UVM personnel, space, services, supplies, or equipment are required to perform the outside professional service, advance permission must be obtained and fees paid to UVM. The schedule of payment must be approved by the Vice President or Provost. You are not required to report to UVM the amount of compensation received for outside professional service.

History of Changes:

<sup>•</sup> On March 4, 2015 the text under "Call-Back with Less than 24-Hours' Notice—Non-Exempt Employees" was modified to clarify that the provision for three hours of straight-time pay applies whether or not the call-back period is contiguous to the employee's regularly-scheduled shift.