



WKU[®]

Faculty and Staff Pay Administration Guidelines

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Introduction

These Pay Administration Guidelines serve as the standard for managing wages under the University's compensation programs for faculty and staff. The program has been designed to provide competitive, fair, and equitable compensation to attract, retain, and engage qualified employees. To this end, we will:

- Provide salary opportunities that:
 - are based on job responsibilities,
 - are competitive within the markets in which Western Kentucky University competes for talent,
 - promote internal equity (similar pay for employees with similar positions, skill sets, and experience) with jobs that have similar duties, and
 - are reflective of the University's financial resources
- Recognize and reward sustained contributions towards achieving the University's vision and strategic objectives, and high levels of performance and expertise
- Ensure understanding of the compensation program through open and clear communication, accessible information, and continued training for leaders, managers, faculty, and staff on key components of the program

These guidelines are intended to be a reference for ongoing administration of wages in a manner consistent with the programs. Human Resources administers and maintains the staff salary programs and the Office of the Provost administers and maintains the faculty salary programs. The University is committed to working with an external consultant and an internal committee as resources allow, for the purpose of reviewing and updating the program in order to keep it current (e.g., salary program updates, benchmarking reviews) while providing information to the Budget Executive Committee for final compensation recommendations.

While we intend to lend stability in our policies and practices, Western Kentucky University reserves the right to interpret the policies, rules, sections, and provisions contained in these guidelines, as it deems appropriate in its sole discretion. The University also reserves the right, in its sole discretion, to amend, modify, change, cancel, terminate, or withdraw any or all policies, rules, sections, and provisions of these guidelines at any time, unilaterally, with or without prior notice.

Total Compensation Philosophy

The total compensation philosophy is the foundation of the compensation program and serves as a framework for salary benchmarking and administration at Western Kentucky University. The strategy addresses the overall vision for the program, which is consistent with the University's core mission, the balance between external competitiveness and internal equity, comparison markets for evaluating salaries and managing pay, and how the program will be administered and communicated.

Total Rewards Offerings	<ul style="list-style-type: none">• Western Kentucky University's compensation programs provide compensation that is fair and competitive with institutions and organizations with which the University competes for talent to attract, retain, and engage talented individuals.• Base salary is the primary method of rewarding employees, with base salaries reflective of the value of the job in the market, the value of the job to the institution, the skills and qualifications of the individual, and available funding.• In addition, the University offers a comprehensive package of health and retirement benefits that encourage health and wellness, provide time off programs and income protection for illness, and provide protection in the event of long or short-term disability or death.• Western Kentucky University is committed to building a dedicated, skilled, diverse, and inclusive workforce that goes beyond a simple employment arrangement. To that end, we strive to offer attractive intangible benefits including a strong affiliation to our mission, engaging work, opportunities for development and growth, a positive, collaborative work environment, and a focus on work life balance, including generous paid-time off and an opportunity for flexible working arrangements.• Our programs are reviewed periodically and refined as necessary to account for the changing needs of our employees and the institution.
Market Alignment	<ul style="list-style-type: none">• Western Kentucky University's compensation program balances external competitiveness with the University's needs, financial resources available, and relative value among similar positions.• <i>Pay Positioning:</i> Western Kentucky University aims to set the compensation structure/pay opportunity within a competitive range of the defined market(s). Certain jobs and/or individuals may be positioned above or below the target pay positioning based on the value of the job to the University and/or unique incumbent characteristics.• <i>Comparison Markets:</i> A custom, competitive set of institutions that are of similar size and type to Western Kentucky University, for which data is available, defines our higher education market for talent and pay comparisons. For jobs that exist outside of higher education, a local market comprised of all employers is also used for pay benchmarking purposes. These comparison markets are reviewed and refined on a regular basis to ensure appropriateness.

<p>Compensation Program</p>	<ul style="list-style-type: none"> • Faculty: Base pay reflects competitive market rates for each faculty member's rank and discipline (as mapped to the appropriate Classification of Instructional Programs); in addition, the base pay reflects an individual's time in rank, capabilities, contributions, tenure, and performance. In addition to base pay, faculty may receive stipends and/or course release for responsibilities beyond their core responsibilities. • Staff: Competitive market data is used as a reference for creating the salary structure and salary ranges. Jobs are evaluated based on job content including responsibilities, scope and experience/education requirements (i.e., not title) and are assigned to salary ranges based on the assessment of competitiveness and role within the University. Base salaries for individuals within the salary range will be determined by considering the skills, knowledge, experience, and performance of the individual and requirements of the job.
<p>Communication</p>	<ul style="list-style-type: none"> • Western Kentucky is committed to open communication, education, and transparency regarding the compensation programs. • We maintain clear and accurate compensation policies and are committed to ensuring understanding of the compensation program and how pay decisions are made through regular communication and training (using multiple vehicles).
<p>Pay Governance</p>	<ul style="list-style-type: none"> • Western Kentucky's pay programs are developed and maintained based on the input from senior leaders, managers, and advisory committees; the President and senior leadership are responsible for setting and endorsing the compensation philosophy. • Human Resources administers and maintains the staff salary programs and Academic Affairs administers and maintains faculty salary programs. Governance includes initial program development and regular, ongoing review and maintenance. • Human Resources, in consultation with the President and senior leadership, communicates with managers on appropriate pay-related matters. Managers, in turn, communicate these messages to their direct reports and answer questions as appropriate.

Roles and Responsibilities

To ensure that the program is administered in a consistent, impartial manner, the roles and responsibilities for key constituents involved in compensation decision making are defined in the table below:

<p>President and Senior Leadership Team</p>	<ul style="list-style-type: none"> • Communicate openly, regularly, and clearly with the University’s community on compensation-related matters. • Endorse compensation program design and implementation processes. • Establish and communicate institutional philosophy and goals to the community. • Set the standard for performance planning, coaching and feedback, and hold direct/indirect reports accountable for the same. • Initiate, review and endorse updates of the salary structure, as appropriate. • Within the constraints of limited resources and the prioritization process for the annual operating budget, provide the resources needed to maintain the salary program. • Hold other leaders and managers accountable for adhering and upholding the principles of the compensation program and effective, consistent compensation management. • Approve relevant salary actions, where applicable.
<p>Human Resources</p>	<ul style="list-style-type: none"> • Provide leaders, division heads, and managers with tools and resources needed to make salary recommendations for their faculty and staff (benchmark data, hiring ranges, federal/state policies, etc.). • Collaborate with leaders, division heads, and hiring managers to establish and maintain appropriate salaries. • Design, develop, and maintain the compensation programs, including salary guidelines, and ensure fairness in and consistency of application. • Provide strategic and operational advice to President and Senior Leadership Team on compensation issues, market trends, and relevant regulations. • Regularly collect benchmark data from the appropriate sources, assess salary competitiveness, and recommend adjustments to the salary structures and ranges, as well as individual salaries. • Regularly monitor the effectiveness of the salary programs and practices, their continued competitiveness, and on-going equity. • Communicate the salary programs and ensure understanding within the community. • Work with managers to ensure job descriptions for staff are current and accurate. • Conduct compensation program training to ensure understanding of program components. • Review and recommend staff salary adjustments to ensure program alignment.
<p>Office of the Provost</p>	<ul style="list-style-type: none"> • Administer Faculty Compensation Program in accordance with existing policy and procedure. • Regularly monitor effectiveness of faculty salary programs and practices. • Communicate faculty salary programs and ensure understanding.

<p>College, Division, and Departmental Leadership</p>	<ul style="list-style-type: none"> • Provide HR with the additional inputs necessary to establish and maintain appropriate salaries (i.e., items not centrally located in the HR data system). • Understand job responsibilities and requirements of jobs in area of responsibility, and the skills, knowledge, experience, and performance levels of faculty and staff in their areas. • Maintain accurate and current job descriptions for staff. • Foster open and trusting relationships with faculty and staff in area of responsibility, and with colleagues across the University. • Set performance expectations, provide clear and helpful feedback, and evaluate performance. • Communicate openly with faculty and staff about compensation topics. • Provide guidance for faculty and staff development and progression. • Use program guidelines to proactively anticipate, and plan for, future personnel needs. • Recommend salary actions to Human Resources.
<p>Faculty and Staff</p>	<ul style="list-style-type: none"> • Understand and fulfill the essential functions of the job and rank, as defined by the Faculty Handbook (for faculty). • Understand own job responsibilities, requirements, and expectations (for staff). • Work with division head or manager to ensure job description is current and accurate (for staff). • Actively participate in education on the specifics of the compensation program (attend trainings, become familiar with tools and other resources available, etc.). • Proactively reach out to division head or manager to obtain feedback on performance. • Communicate openly and regularly with division head or manager to address any issues and concerns. • Seek opportunities for development and advancement through outreach to division head, manager, functional leader, and/or HR.
<p>Budget Executive Committee</p>	<ul style="list-style-type: none"> • Create a clear link between resource allocation and the University's mission, strategic priorities, and commitment to student success.* • Use a holistic approach to budgeting that reflects a shared commitment to the fiscal health of campus and ensures that institutional priorities can be funded.* • Consider data; make recommendations to President and Senior Leadership Team regarding campus-wide compensation initiatives. <p style="text-align: right;">* BEC Guiding Principles</p>

Faculty Salary Structure

Faculty Salary Ranges

Establishing faculty salaries is a collaborative process between the Office of the Provost, College Deans, and Human Resources, with primary accountability within the Office of the Provost. The external market assessment forms the development of faculty pay ranges for each discipline by rank, grouping similar market median data points together. Those groups are identified in Tiers and the pay ranges are developed by setting a range of -20% (to set the minimum) to +20% (to set the maximum) of the associated market median.

The primary source of data used for the assessment is the CUPA-HR Faculty Salary Survey, reflective of Western Kentucky University's specific regional higher education comparison market. Other sources of external market data considered, as appropriate.

Examples

Rank	Tier	Minimum (80% of Midpoint)	Midpoint (Market)	Maximum (120% of Midpoint)
Assistant Professor	Tier 1	\$47,500	\$59,400	\$71,300
Professor	Tier 2	\$76,600	\$95,700	\$114,800

Human Resources will assist the Office of the Provost when needed to administer faculty pay, including the collection and analysis of market data, updating Western Kentucky University faculty census information, and providing guidance on market trends and practices.

Setting Starting Faculty Salaries

Faculty are assigned to pay ranges based on two criteria: (1) the faculty member's rank and (2) discipline. All faculty can expect to be paid within the pay range associated with their group.

Setting starting salaries requires a review by the Dean and/or the Department Chair of the depth and breadth of the candidate's experience, with the pay range associated with the rank and discipline/tier as a guideline. Starting salaries are determined on an individual's related faculty experience as it relates to discipline and rank.

Annual Faculty Salary Increases

Once the faculty member becomes part of the Western Kentucky University faculty community, the progression of pay from the Assistant Professor to the Full Professor rank is a continuum. The faculty member's pay increase is determined based on a combination of factors, such as the University's annual pay increase budget and the faculty member's contribution. Faculty should refer to the current Faculty Handbook for performance criteria.

While it is the intent of Western Kentucky University to provide faculty merit increases when finances permit, the University cannot guarantee that such increases will occur every year.

Promotional Increases

Criteria for promotion are specific to each department and rank. Consult the Faculty Handbook and your college/department tenure and promotion guidelines for detailed criteria and process.

Promotion increases will be determined based on the current faculty pay administration guidelines and will result in an annual salary at or slightly above 90% of the midpoint for the tier to which the faculty member is promoting.

Such salary increases are over and above any salary change associated with the campus-wide compensation program.

When both setting starting salaries and determining pay adjustments, the Office of the Provost, will conduct a review of other faculty salaries in the same rank and within similar disciplines to ensure internal equity. The purpose of this review is to ensure that comparably situated individuals are paid similarly and that pay decisions are made under a consistent set of principles to ensure equitable pay for all faculty members. The Provost will approve final pay recommendations, as well as pay exceptions outside the assigned pay range.

Temporary/Interim Assignment or Increase in Duties

A faculty member may occasionally be asked to temporarily take on additional responsibilities (e.g., Chair of a department, etc.). The Dean and the Office of the Provost will assess the nature of these assignments and associated changes to pay. Typically, these additional responsibilities will be paid as a stipend.

Stipends are temporary additional payments separate from base pay. Faculty may be eligible to receive stipends for additional work that is in addition to their day-to-day responsibilities. Additional details regarding stipends can be found in the central policy repository under policies titled Supplemental Compensation and Administrative Stipends. Additional examples may include but are not limited to: taking on responsibilities of another faculty member due to resignation, or temporary program or department management or coordination. Once the additional work has ended, the stipend will terminate.

Stipend amounts will be set based upon the duration of the assignment, the degree of complexity and/or importance of the additional work, and the level of performance.

Doctoral/Terminal Degree Impact

While a doctoral/terminal degree (i.e., PhD, MD, etc.) is typically required for faculty members across all departments and disciplines, in certain situations, individuals may not have this degree. The Dean, subject to approval of the Provost, will take a holistic review of the individual's teaching and non-teaching experiences in those cases, and determine the appropriate pay for the individual faculty member.

There will not be any pay adjustment for individuals who are in the process of earning their doctoral/terminal degree. A review of the appropriate pay will be initiated after the completion of the degree based on the factors described above.

Staff Salary Structure

Western Kentucky University maintains a market-informed compensation program that supports the institution's strategic vision, mission, values, and its diverse staff population. The staff salary structure is developed using survey salary information gathered from market benchmarking and contains relatively broad, differentiated salary ranges. Such a structure:

- Is relatively simple with less frequent maintenance and reevaluation of job grades required due to flexibility built into the structure
- Allows for increased flexibility in cross-functional job movement
- Allows for balancing pay for both the job and the person, rather than to an inflexible control point

The University is committed to working with an external consultant and an internal committee as resources allow, for the purpose of reviewing and updating the program in order to keep it current (e.g., salary program updates, benchmarking reviews) while providing information to the Budget Executive Committee for final compensation recommendations. Any revisions will be established and implemented as approved by the President and Senior Leadership Team, given the financial resources of the institution.

Western Kentucky University's staff salary structure consists of 14 salary bands that represent a continuum of salaries based on the market for a range of positions. The chart in Appendix A provides the 2021-2022 staff salary structure including the salary band minimum, midpoint, and maximum shown both annually and hourly.

Benchmark jobs are assigned to salary bands primarily based on their market value. These jobs are typically assigned to the band with the closest band midpoint to the median (i.e., 50th percentile) market data for jobs within that band. The majority of jobs at Western Kentucky University are benchmark jobs.

For other jobs, market data may not be available; these are called "non-benchmark" jobs. Non-benchmark jobs include jobs that are created to meet a unique need at the University, jobs that are a blend of multiple functions, and jobs for which viable survey data is not available. Non-benchmark jobs are assigned to salary bands through a process of comparing them to similar benchmark jobs by considering:

- **Skills and Knowledge:** The formal/informal expertise needed to perform the duties of the job on a day-to-day basis. Example: Accounting rules, standards, and procedures
- **Impact:** The impact that a job has on key institutional imperatives. Example: Financial health or effectiveness and quality of services provided within the institution
- **Scope of Responsibility:** The breadth or range of the job's operational influence within the institution. Example: Institution-wide, division, or department

Human Resources, in consultation with the appropriate hiring manager, reviews the internal equity of all job assignments before final approval of the job requisition.

Setting Starting Salaries (New Employees)

The salary program's bands are wide enough to accommodate a variety of experience, qualification, and performance levels, and generally, the goal is for all staff to be paid within the salary guidelines associated with their job's band.

Setting a starting salary involves a review by Human Resources of a job's responsibilities and requirements as well as the skills and experience of the candidate, using the salary range associated with the job's band. Final starting salaries must be reviewed and approved by Human Resources and the manager before they are implemented.

Step 1: Review the job and determine its band assignment (Human Resources)—if the job currently exists at the University, proceed with Step 2.

If the job is new to Western Kentucky University, Human Resources will determine if the job is a benchmark job. This means that jobs with similar responsibilities and skill requirements are typical in the market and reliable salary data can be found in published surveys, using the same comparison market as previously established. In the case of a benchmark job, Human Resources references the resulting survey data to assign the job to the most appropriate band (i.e., the band with the midpoint closest to the survey median).

Non-benchmark jobs include jobs that are created to meet a unique need at Western Kentucky University, jobs that are a blend of multiple functions, and jobs for which good salary survey data are not available. If the job is a non-benchmark job, Human Resources and the manager will evaluate the job relative to its most similar job at the University based on:

- Knowledge and Skills
- Impact
- Scope of Responsibility

Step 2: Review skills and experience of the individual—once the band for the job has been determined, the individual salary will be set within the guidelines for the band by the employee's manager, based on the incumbent's individual skills and qualifications as defined in "Managing Salaries within a Band." The manager will evaluate the new employee based on their skills & knowledge and relevant experience. This evaluation will generally result in a recommended salary range between the minimum and the midpoint of the salary band. It is important to note that relevant experience will be considered relative to the experience required and preferred to fully contribute in the job. For example, if the job requires 5 years of relevant experience, but the candidate brings 25 years, the significantly greater years of experience have limited value to the University and will be evaluated accordingly.

Step 3: Review internal equity—before any salary is finalized, Human Resources will conduct a review of salaries of current staff members in similar jobs to ensure internal equity. If the individual will be working in more than one job at the University, Human Resources will determine the appropriate band and salary for the incumbent.

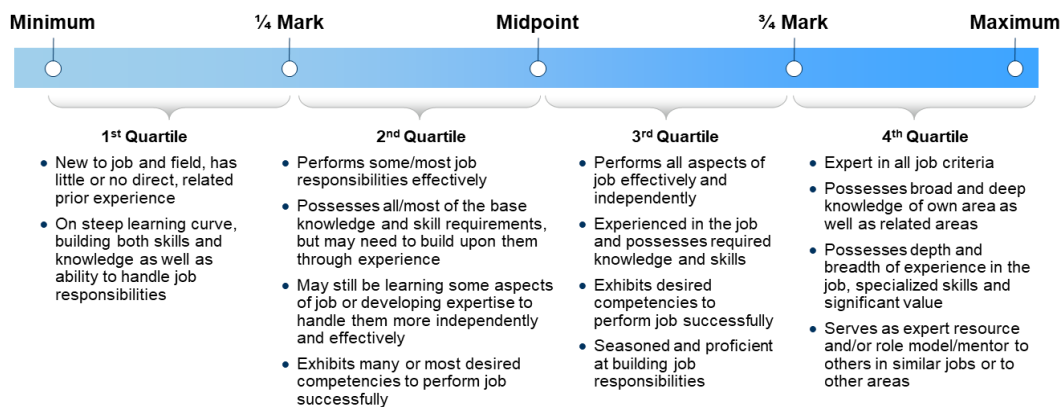
As a general guideline, if an individual has no prior relevant work experience, their pay will be set at the minimum of the band for their job. Additionally, pay rates for new employees will

generally not exceed the midpoint of the band for their job, unless exceptional circumstances can be demonstrated.

Step 4: Final approval of salary level—Final salary recommendation up to the midpoint of the range is submitted to Human Resources for review and approval. As a rule, any prospective new employee should not be offered a starting rate higher than the midpoint of the salary range. For those rare exceptions where a rate exceeds the midpoint, the salary range must be approved by the appropriate Divisional Leader before the offer of employment is made.

Managing Salaries within a Band

The salary structure consists of a series of bands that are designed to provide competitive salary opportunities for the responsibilities and requirements of jobs at Western Kentucky University. The guidelines below provide direction on how salaries should be managed within a band, taking into consideration both the external market and accumulated skills and contribution. Individuals within a job will progress through the band based on growth in their knowledge and experience as well as performance.



The goal is for all incumbents to be paid within the guidelines associated with their job’s salary band.

Staff Job-Based Changes

It is essential to distinguish between a change in the job content and a change in the incumbent's skills, knowledge, or performance. This section applies only to job content changes.

A job may change in two possible ways (described in the chart below). Any changes to salary will be determined by the results of both benchmarking and internal equity analyses. If an increase is warranted, Human Resources and managers will collaborate to determine the appropriate parameters for the increase, with the final approval of the Senior Leadership member. Increases for job changes are generally 3% - 10%; exceptions can be reviewed with HR based on the position's current placement in band.

Change in Responsibilities	Impact on Salary	Example(s)	Estimated Increase Amount
Permanent Expansion of Responsibilities Not Warranting a Reclassification	<ul style="list-style-type: none"> Job remains assigned to its current band Pay for additional duties assigned permanently should be calibrated to the magnitude of change Salary change can vary 	<ul style="list-style-type: none"> Additional task added to the job function (e.g., performing a periodic analysis) 	<ul style="list-style-type: none"> Consider a minimum increase of 3-4% of base salary Some exceptions may be reviewed by HR
Significant and Permanent Changes Warranting a Reclassification	<ul style="list-style-type: none"> Some changes or additions may impact the job definition significantly enough to influence its market value or internal role These types of changes warrant a review to determine if a reclassification is appropriate Salary change will vary based on the band into which the job is placed 	<ul style="list-style-type: none"> Change in level of supervisory responsibility (e.g., individual contributor to supervisor) 	<ul style="list-style-type: none"> Consider a minimum increase of 8-10% of base salary Some exceptions may be reviewed by HR

NOTE: A change to *how* work is done (e.g., changes to the tools or processes used to perform duties) does not normally warrant a salary adjustment. While such a change may require training to learn new software or methods, it does not usually change the purpose or overall accountabilities of the job.

To enact this change, complete a modification requisition in *Interview Exchange*. Job changes should be effective on July 1st or January 1st of each calendar year only. Temporary pay changes may be appropriate in the interim.

Reclassification of a Job

During the normal course of operations, changes in primary/essential responsibilities may make it necessary to rewrite or update the job description (but not necessarily the title). If there are substantial changes to the role (at least 20%), the modifications should be noted and forwarded to the manager for review and approval. In conjunction with Human Resources, the manager should review changes to ensure equitable distribution of departmental workloads and appropriate assignment of tasks. When both the manager and HR staff member are satisfied with the revised job description, the position will be evaluated for band assignment by HR.

The following are examples of situations that may warrant a job reclassification:

- Department reorganization and job restructuring
- Addition of full-time employees reporting to the job
- Addition of new and significant area(s) of responsibility
- Major change in level of authority and accountability

Small changes in a job do not influence market value or the job's core role at Western Kentucky University and, therefore, would not warrant reclassification (e.g., different software to handle same job responsibilities, procedural changes to existing work). In addition, a job would not be reclassified if the incumbent earns a degree or achieves another educational milestone, unless this results in changes in the job, level of authority, scope of responsibility, etc.

Requests for reclassification should be made by the manager to whom the job reports, and not by individual employees. If an employee believes that their job needs to be reclassified, they should discuss this with their manager, who will review the request with Human Resources to determine the appropriate course of action. If the manager agrees with the request, they can forward the request for re-evaluation to Human Resources for review. In the case of a re-organization, HR can initiate the re-evaluation process.

Staff Incumbent-Based Changes

Movement to a Job in the Same Band

Not all career advancement opportunities are upward movements. An individual can also advance in his or her career by taking a different job in the same band. This enables him/her to become broadly skilled, therefore enhancing his or her ability to contribute to the University and may eventually lead to promotion to a job in a higher band.

The impact of a lateral band move on an incumbent's pay level will be reviewed by Human Resources and their manager based on the incumbent's skills, knowledge, experience, performance, and current position within the band. Managers, in consultation with Human Resources, may recommend a salary increase within the band based on the incumbent's skill, knowledge, experience, performance, and current position within the band. Final decisions regarding changes to salary must be reviewed by Human Resources and approved by the appropriate Senior Leadership member.

Movement to a Job in a Higher Band

This involves taking on a job that is assigned to a higher band. Such a move generally warrants an increase in salary to recognize these additional responsibilities and to ensure that the salary for the new job is consistent with market and internal equity. An exception may occur if the incumbent's current salary is very high in the band for his or her current job.

Human Resources and managers will collaborate to determine an appropriate salary within the band, based on the individual's skill, knowledge, experience, and performance. The manager will recommend a salary, which Human Resources will review and approve, with the Senior Leadership member, if appropriate. Since circumstances vary and each individual has a different pay history, it is important to consider multiple factors when making salary decisions related to promotions. These factors are shown in the chart on the next page.

Use this chart to determine an appropriate increase for a promotion. Consider how each statement applies to the incumbent and plot the assessment on the corresponding line. After plotting each item, a pattern is likely to be evident. This pattern will help develop an appropriate increase recommendation.

Criterion	Assessment of Staff Member	
Degree of increase in responsibilities	Moderate	Significant
Performance compared to expectations ¹	Effective	Exceptional
Current salary in relation to new band	High	Low
Current salary relative to others in similar jobs in new band (with similar skills, knowledge, competencies, and experience)	High	Low
Depth and breadth of skills and knowledge demonstrated	Moderate	High

Modest Increase
(e.g., 3%-5%)
Moderate Increase
(e.g., 5%-8%)
Significant Increase
(e.g., 8%-10%)

In all cases, promotional increases are dependent upon available financial resources and internal equity considerations. Resulting new salaries should be cross-checked with the position in the new band.

Final decisions regarding changes to salary must be reviewed by Human Resources and approved by the appropriate Senior Leadership team member, and will determine the percentage increase. The increase should take into account internal equity and financial viability at Western Kentucky University.

If an increase were to exceed 10%, it may be necessary to phase in the increase, first ensuring the incumbent is at least at the minimum of the band, and then increasing their salary to the appropriate place in the range over a few years.

¹ Employees would not typically be eligible for promotion unless they are considered effective in their current position, at a minimum.

Transfer to a Job in a Lower Salary Band

At times, an individual may be reassigned or choose to move to a position in a lower salary band. This most likely will occur as a result of a more appropriate fit between the individual's capabilities and the skills and expectations of a different job.

Involuntary Transfer to a Job in a Lower Salary Band

When an employee is reassigned to a job in a lower salary band on an involuntary basis based on disciplinary or other performance issues, the incumbent's salary may be adjusted to reflect the responsibilities of the new job. In cases where a position is reassigned to a new salary band due to a reorganization or restructuring, HR, the manager, and if appropriate, the Senior Leadership member will evaluate these situations on a case-by-case basis to determine if any salary adjustments are necessary and appropriate.

Voluntary Transfer to a Job in a Lower Salary Band

If an employee elects to take a job in a lower salary band, his or her salary will be reviewed in relation to the salary range for the new position. Depending on the new salary range for the incumbent, salary level of the incumbent, and salary level of other incumbents in the same or similar positions, the incumbent's salary may be lowered to reflect the new job. HR, the manager, and if appropriate, the Senior Leadership member will evaluate these situations on a case-by-case basis to determine if any salary adjustments are necessary and appropriate.

Temporary Assignments/Interim Appointments

From time to time, it may be necessary for employees at Western Kentucky University to take on additional or different responsibilities temporarily. Depending on the nature of these assignments, corresponding changes to salary may be warranted. The nature of these assignments will be assessed by Human Resources and the appropriate manager on a case-by-case basis.

Temporary Short-Term Assignments

When a staff member is temporarily assigned to a job requiring an additional level of responsibility on a short-term basis the individual will continue to be compensated at their regular rate.

Temporary Long-Term Assignments

When an employee is temporarily assigned additional responsibilities for an extended period of time (30+ calendar days, excluding vacations and other short-term situations), the employee's salary may be increased upon review by Human Resources and the appropriate Senior Leadership member. Automatic increases to base salary are not given. A stipend may be submitted for an exempt employee and a temporary rate increase for a non-exempt employee. Upon completion of the temporary assignment, the individual resumes their former pay rate.

Interim Appointments

An interim appointment is when an individual is appointed (in writing) to a different position (either in the same salary band or in a higher band) on a temporary basis where there is a vacancy expected to last for an extended period of time. The individual will be held accountable for the scope of the interim role that is identified at the time of the Interim Appointment. An Electronic Personnel Action Form should be processed for all interim appointments.

- **Interim appointment in the same band:** If the interim position has the same salary potential as the individual's own position, base salary for the individual may be adjusted temporarily depending on the duration of the appointment, the degree of complexity and/or importance of the additional work, and the level of performance demonstrated. HR and the appropriate Senior Leadership member will evaluate these situations on a case-by-case basis to determine if any cash payment is necessary and appropriate.
- **Interim appointment in a higher band:** If the interim position has a higher base salary potential than the individual's own position, an individual taking on such an appointment may be eligible for a temporary increase in base salary, determined under the University's promotional guidelines as if the individual were being promoted to this position, and remaining in effect until the appointment is completed. Upon returning to their position, the employee will receive the salary rate they had been earning prior to the interim appointment, adjusted for any intervening salary increases (annual increases, increases due to market or internal equity, etc.). HR and the appropriate Senior Leadership member will evaluate these situations on a case-by-case basis to determine if any cash payment is necessary and appropriate.

Earning a Degree or Certification

Earning a degree, certification, or accreditation, including an advanced degree, does not generally warrant a salary increase unless the job responsibilities change as a result of the degree attainment resulting in a movement of the job to a higher band.

In recognition of developmental achievements, employees who become certified/licensed in a recognized profession/area, or who earn an Associate's, Bachelor's or Graduate degree are awarded with pay according to the Compensation for Education and Special Training Policy. This is a benefit award only.

Equity and Market Adjustments

Human Resources will review survey data and internal salaries regularly. From time to time, it may be necessary and appropriate for HR to adjust salaries to establish/maintain internal equity or to recognize significant market changes.

- **Equity Adjustment:** an adjustment that is made to ensure that an individual's salary appropriately reflects their skills, knowledge, experience, and performance.
- **Market Adjustment:** an adjustment that is made to recognize changes in the competitive market salary for a job using the market pricing process described later in this document. Market adjustments are unlikely to occur often, because the salary program is based on benchmarking and is updated regularly to ensure continued competitiveness. Occasionally, however, unusual market circumstances may warrant an adjustment.

All ad-hoc individual adjustments will be approved by the appropriate Senior Leadership member and Human Resources prior to being implemented. The Senior Leadership Team will approve any institution-wide adjustments. Competitive offers will not necessarily dictate pay changes or result in counter offers. Decisions may be reviewed with appropriate budget committees.

Annual Salary Increases

While it is the intent of Western Kentucky University to provide salary increases when finances permit, the institution cannot guarantee that such increases will occur every year.

The President, Senior Leadership Team, and the Board of Regents will annually determine the salary increase pool by considering market trends, University financial resources, and overall University strategy and goal achievement. Senior Leadership and HR will communicate guidelines for appropriate distribution to Division Heads and managers each year at the appropriate time.

Grant funded (and other non-centrally funded) positions may be excluded from annual salary increases because their pay is not provided by University unrestricted educational and general funding.

Staff Employment Classification

WKU has a multitude of varying employment types to support a wide range of categories including a monthly, semi-monthly, and bi-weekly payroll schedule.

Staff Categories

- *Salary Exempt (SE)*
 - Full-time, exempt staff paid via the monthly payroll schedule
 - No timekeeping records are required
- *Salary Non-Exempt (SN)*
 - Full-time, non-exempt staff paid via the semi-monthly payroll schedule.
 - This category includes an exception for a group of employees identified as exempt on the semi-monthly payroll schedule as a result of the 2016 Department of Labor regulation.
 - This employee type is now reserved for <12 month full-time non-exempt assignments ONLY and will be phased out over time to be replaced by the hourly, full-time staff category.
 - Semi-monthly timesheets are required to be completed and kept in a central location within the office. Exception: For those employees that are exempt on the semi-monthly payroll schedule, timesheets are not required.
 - Any hours worked over 37.5 in a given workweek are paid via Form 16.
 - Eligible for overtime pay if hours exceed 40 in a given workweek.
 - Semi-monthly employees are paid on the 15th and on the last working day of each month.
- *Salary Part-Time (SP)*
 - Part-time, exempt staff paid via the monthly payroll schedule.
- *Hourly Full-Time (HF)*
 - Full-time, non-exempt staff paid via the bi-weekly payroll schedule.
 - Bi-weekly timesheets are required to be completed and kept in a central location within the office.
 - Hours worked are submitted to payroll via the Recap Management process.
 - Eligible for overtime pay if hours exceed 40 in a given workweek.
- *Hourly Part-Time (HP)*
 - Part-time, non-exempt staff paid via the bi-weekly payroll schedule.
 - Bi-weekly timesheets are required to be completed and kept in a central location within the office.
 - Hours worked are submitted to payroll via the Recap Management process
 - » Categorized as N1 when paid via web-time entry (Recap Sheet not required)
 - Eligible for overtime pay if hours exceed 40 in a given workweek.

Pay Processes

WKU offers several options when a supplemental payment may be necessary. Due to Federal Regulations, it is important to understand each pay option and to seek additional information from Human Resources when in doubt.

Shift Differentials

Shift differential is a premium pay amount in addition to the normal hourly rate of pay. A shift differential of five (5) percent is paid for full-time non-exempt staff employees whose shift ends four (4) or more hours after 4:00 p.m. or whose shift begins four (4) or more hours earlier than 8:00 a.m. Managers should complete an Electronic Personnel Action Form for shift differentials to apply. See Shift Differential Policy.

Volunteers

Non-exempt employees are not permitted to “volunteer” their time and services in any way in conjunction with their job duties. An employee may only serve as a “volunteer” when engaged in endeavors which are clearly identified as community, public service or special events and typically are open to other individuals. The Department of Human Resources is available to clarify and help determine instances where volunteer status is appropriate. A Volunteer Services Agreement is typically completed describing the volunteer arrangement.

Special Payroll Authorization (Form 16)

Form 16s are an internal document used for supplemental payments as follows:

- Overtime payments to semi-monthly paid employees
- Supplemental payments to exempt employees. Non-exempt employees are not eligible for Form 16 supplemental payments
- Discretionary bonuses as defined by the Department of Labor and reviewed by Human Resources
- Form 16s are NOT to be used as one-time payments to temporary employees. All positions, temporary or otherwise, should be established via Interview Exchange

Temporary Pay Changes

Temporary Rate Increases (TRI) and Stipends are temporary pay changes processed via an EPAF. TRIs and Stipends for staff should be reviewed with Human Resources and should only be considered for temporary circumstances and follow increase guidelines similar to those outlined in the Staff Incumbent Based Changes section. Long-term pay changes should not be processed via a Temporary Rate Increase or Stipend. If a TRI or Stipend is renewed over

multiple years, a base-pay adjustment should be considered and reviewed with Human Resources.

- Temporary Rate Increases (TRI) can be utilized to increase the pay rate of a non-exempt employee on a temporary basis. This pay change option is best used when an employee has assumed additional roles or responsibilities on a temporary basis
- Stipends are utilized for exempt employees to receive an increase to their regular salary on a temporary basis. This pay change option is best used when an employee has assumed additional roles or responsibilities on a temporary basis. Non-exempt employees are NOT eligible to receive a stipend due to federal regulations.

Regulatory

Many pay practices are designed to ensure the compliance of Local, State, and Federal Regulations.

Retirement System Differentiation

A retirement system is designated based on the minimum education requirements of a position when it is established. It is important that positions at WKU be consistent in their minimum education requirements.

- Kentucky Teacher Retirement System (KTRS) is designated for positions that require either certification or graduation from a four-year college or university.
- Kentucky Retirement System (KRS) is designated for positions that DO NOT require either certification or graduation from a four-year college or university.

Exempt vs. Non-exempt Designations

The Fair Labor Standards Act (FLSA) establishes standards to determine overtime pay. The determination of "exempt" or "non-exempt" is made by the Human Resources team in accordance with the established FLSA criteria.

- Non-Exempt Status
 - Western Kentucky University is required by law to pay non-exempt staff for all hours worked beyond 40 hours in a work week at the rate of one-and-one-half times their regular hourly wage
 - Compensatory time is not allowed by either state law or University policy
- Exempt Status
 - Staff performing exempt work are not covered by the overtime pay provisions of the FLSA and are not eligible to receive overtime pay

There are multiple key factors and risks to be considered when classifying a position exempt or non-exempt and several categories identified for exempt status. Our HR Compensation team is trained in making the applicable decision for positions at the University.

Some decision factors include, but are not limited to:

- Salary basis must be at a rate not less than \$35,568 annually (\$684 per week)
- Decisions such as directing the work of at least two full-time employees and making decisions to hire or fire employees

- Non-manual work directly related to the management or general business operations of the University and exercising discretion and independent judgement with respect to the running of the business.
- Performance of work requiring advanced knowledge in a field of science or learning acquired by a prolonged course of specialized intellectual instruction.
- The following items are not automatic determining factors:
 - Working with high budget items
 - Requiring a Bachelor’s Degree
 - Being paid a salary
 - Having a title of manager/supervisor/administrator
 - Having a similar title to other exempt University employees
 - Making day-to-day decisions

Timesheets

Timesheets are an important timekeeping record and support the requirements outlined by the Fair Labor Standards Act as defined by the Department of Labor. All non-exempt employees are required to complete a timesheet for all hours worked, including those outside of regular business hours.

- The official workweek begins at 12:01 a.m. on Monday and ends at 12:00 midnight on Sunday
- Time should be rounded to the nearest quarter hour
- Non-exempt staff members paid on the bi-weekly payroll schedule should complete the bi-weekly timesheet. Those hours are submitted via the Recap Management process to payroll
- Non-exempt staff members paid on the semi-monthly payroll schedule should complete the semi-monthly timesheet
- Timesheets should be maintained in a central office location for at least three (3) years
- Digital timesheet versions are acceptable

Additional Information

Split Index Positions

Some positions may be paid out of multiple budgets, resulting in a split index position. In those scenarios, the majority funding source owns the position when it comes to performance, work responsibilities, and compensation philosophy, but should receive input from the minor funding source. For positions split equally, departments should identify who is the primary source of decision-making.

Rounding Salary and Hourly Amounts

Employees paid on the bi-weekly payroll schedule require an annualized salary reflective of a whole dollar amount (hourly rate multiplied by 1,950 hours). This can be ensured when the second decimal of the hourly rate is rounded to an even number.

Employees paid on the monthly or semi-monthly payroll schedule require a per pay period salary rounded to the whole dollar (annual salary rounded to the whole dollar and divisible by 12).

Program Maintenance

Staff Job Descriptions

Job descriptions are an essential management tool and can be used for many purposes, including recruitment, organizational planning, salary benchmarking, FLSA (Fair Labor Standards Act) classification, ADA (Americans with Disabilities Act) compliance, and conveying expectations for job duties and performance. Since staff jobs are assigned to salary bands based on their content, role, and responsibilities, it is important that job descriptions be current, accurate, and complete. Job descriptions should be reviewed annually during the performance evaluation process and whenever a job is vacated.

For every staff job, a job description will be developed by the manager and approved by Human Resources. Job descriptions should not be viewed as an exhaustive list of tasks, but rather as an overview of the duties and responsibilities of the role. Human Resources will provide a job description template to managers for this process. Job descriptions should be maintained in a central office location.

Maintaining the Salary Ranges

The salary ranges (minimum, midpoint, and maximum) may be adjusted to keep up with the market as resources allow. This information is available in annual salary guidelines as published by compensation planning resources such as WorldatWork or Segal. Note that this adjustment is to the ranges of each structure, not individual pay. Any changes to the ranges are subject to the availability of financial resources and must be approved by the Senior Leadership team.

As resources allow, the University is committed to working with an external consultant and an internal committee for the purpose of reviewing and updating the program in order to keep it current (e.g., salary program updates, benchmarking reviews). This may result in some additional adjustments to the ranges or band assignments.

Appendix A – 2021-2022 Staff Salary Structure

Salary Band	Annual Base Salary			Hourly Rates		
	Minimum	Midpoint	Maximum	Minimum	Midpoint	Maximum
1	\$20,000	\$23,200	\$32,000	\$10.26	\$11.90	\$16.41
2	\$20,000	\$25,500	\$32,000	\$10.26	\$13.08	\$16.41
3	\$21,600	\$28,100	\$34,600	\$11.08	\$14.41	\$17.74
4	\$23,800	\$30,900	\$38,100	\$12.21	\$15.85	\$19.54
5	\$26,200	\$34,000	\$41,900	\$13.44	\$17.44	\$21.49
6	\$29,500	\$39,100	\$48,700	\$15.13	\$20.05	\$24.97
7	\$34,000	\$45,000	\$56,100	\$17.44	\$23.08	\$28.77
8	\$39,100	\$51,800	\$64,500	\$20.05	\$26.56	\$33.08
9	\$46,100	\$62,200	\$78,400	\$23.64	\$31.90	\$40.21
10	\$55,300	\$74,600	\$94,000	\$28.36	\$38.26	\$48.21
11	\$70,500	\$97,000	\$123,400	\$36.15	\$49.74	\$63.28
12	\$91,700	\$126,100	\$160,500	\$47.03	\$64.67	\$82.31
13	\$119,200	\$163,900	\$208,600	\$61.13	\$84.05	\$106.97
14	\$155,000	\$213,100	\$271,300	\$79.49	\$109.28	\$139.13

Appendix B – 2021-2022 Faculty Salary Structure

Rank/Salary Grouping	Annual Base Salary				
	Minimum	1/4 Mark	Midpoint	3/4 Mark	Maximum
Professor 4	\$103,500	\$116,500	\$129,400	\$142,400	\$155,300
Professor 3	\$97,400	\$109,600	\$121,800	\$134,000	\$146,200
Professor 2	\$76,600	\$86,200	\$95,700	\$105,300	\$114,800
Professor 1	\$69,500	\$78,200	\$86,900	\$95,600	\$104,300
Associate Professor 4	\$91,800	\$103,300	\$114,800	\$126,300	\$137,800
Associate Professor 3	\$75,000	\$84,400	\$93,700	\$103,100	\$112,400
Associate Professor 2	\$61,600	\$69,300	\$77,000	\$84,700	\$92,400
Associate Professor 1	\$55,100	\$62,000	\$68,900	\$75,800	\$82,700
Assistant Professor 4	\$87,800	\$98,800	\$109,800	\$120,800	\$131,800
Assistant Professor 3	\$66,300	\$74,600	\$82,900	\$91,200	\$99,500
Assistant Professor 2	\$52,200	\$58,700	\$65,200	\$71,700	\$78,200
Assistant Professor 1	\$47,500	\$53,500	\$59,400	\$65,400	\$71,300
Instructor 3 & 4	\$49,600	\$55,800	\$62,000	\$68,200	\$74,400
Instructor 2	\$39,700	\$44,700	\$49,600	\$54,600	\$59,500
Instructor 1	\$37,200	\$41,900	\$46,500	\$51,200	\$55,800

Appendix C – Higher Education Comparison Market Institutions List

Appalachian State University	Ohio University-Main Campus
Arkansas State University-Main Campus	Southern Illinois University-Edwardsville
Ball State University	Tennessee Technological University
Bowling Green State University-Main Campus	The University of Tennessee-Chattanooga
Cleveland State University	Troy University
Coastal Carolina University	University of Akron Main Campus
College of Charleston	University of Alabama in Huntsville
East Tennessee State University	University of Arkansas at Little Rock
Eastern Kentucky University	University of Central Arkansas
Georgia Southern University	University of Kentucky
Georgia State University	University of Louisiana at Lafayette
Illinois State University	University of Louisville
Indiana State University	University of Memphis
Kennesaw State University	University of North Carolina at Charlotte
Kent State University at Kent	University of North Carolina at Greensboro
Kentucky State University	University of North Carolina Wilmington
Louisiana Tech University	University of North Georgia
Miami University-Oxford	University of South Alabama
Middle Tennessee State University	University of Southern Mississippi
Mississippi State University	University of West Georgia
Morehead State University	Valdosta State University
Murray State University	Western Carolina University
North Carolina A & T State University	Western Illinois University
Northern Illinois University	Wright State University-Main Campus
Northern Kentucky University	Youngstown State University