

Office of the Executive Vice President

University of Notre Dame

Office of Human Resources

Staff Compensation Policy

Last Updated 06/14

Applies to Exempt and Non-Exempt Staff

Policy

Types of Positions Defined

Regular Positions

Regular positions are full- or part-time positions at the university that have regularly scheduled hours and are not temporary or on-call. Regular positions can be nine month or twelve month positions and must be paid based on their appointment; i.e. nine-month employees cannot be paid over a twelve month period unless contractual for an exempt employee.

Temporary Positions

Temporary positions are defined as working less than 900 hours in the first year of temporary employment and then in any fiscal year thereafter.

The positions are needed for various reasons such as interim vacancies, employee absences, short term support and/or sporadic and non-recurring assignments.

Temporary positions are not considered regular or limited term positions of the University

Temporary positions must be hourly non-exempt positions

A work week is defined as 12:01 am on Saturday through 12:00 midnight on Friday

Temporary employees may accept, if offered, another type of position at the University that is either a limited term or regular position

If a position is being filled with knowledge that it likely will exceed the 900 hours limit, it should be created as a regular or a limited term position rather than as a temporary position. Employees in a temporary position should be compensated within the range of the pay scale of similarly situated regular positions responsible for performing the same level and type of work on campus.

NOTE: Temporary employees are considered external applicants when applying for regular University employment and must follow established selection procedures for external applicants.

Limited Term Positions

Employees may be hired to work a limited term assignment at the University. This assignment is based on a predetermined and agreed upon time frame that is of a short duration needed to meet a business need and/or staff a contract or grant program. Limited term employees receive benefits following the same policies as a regular employee and are still "at will" employees. A "Limited Term Employee Offer Letter" must be used when hiring an employee in a limited term position. Guidance for this letter can be received by contacting HR Business Partners or Compensation Team to ensure that employment is explicitly at will and dependent on funding.

Independent Contractors

In situations where University departments use the services of outside consultants or independent

contractors, specific criteria are used to determine the worker's relationship with the University and thus the appropriate method of payment for their services. These criteria are defined by Internal Revenue Service guidelines and are reflected on the Non-Employee Payment for Services form that is used for payment of independent contractors. Independent contractors are not University employees and are not paid through Payroll Services or eligible for benefits. Factors indicating that payment should be made as independent contractor rather than employee include:

Behavioral Control – The university does not direct and control how, when, or where the worker does the tasks they are hired to perform

Financial Control – The university does not have financial responsibility for all expenses of the contractor, the contractor provides services to others in the market place, and the contractor is generally paid a flat rate fee rather than on an hourly/salaried basis for work done (some professionals such as lawyers may be paid hourly).

Type of Relationship – The university has a set period of time that work should be performed by the contractor rather than an indefinite relationship, the contractor is not eligible for any university benefits, and the contractor performs work other than a service that is key to the regular on-going business activities of the department.

Employee and Manager Responsibilities Related to Pay

Employee Responsibilities

Each employee must take responsibility for his or her job performance, professional development, and growth. While the University strives to provide an environment that fosters growth, the University does not guarantee advancement for employees within their current position or at the University at large.

Manager Responsibilities

The University is committed to providing managers with the tools, training and information necessary to make sound compensation decisions. Each manager is responsible for ensuring that performance management processes are completed each year for employees and that increases to base pay are based on performance and within policy guidelines, to ensure equity and consistency throughout the University.

Work Schedules

The University observes a standard office workweek of Monday through Friday, 8:00 am to 5:00 pm with a one hour meal break. However, many departments offer alternative schedules and shifts as appropriate to their needs. Supervisors must approve alternative work pattern arrangements, and the operating needs of the department must take precedence. The Office of Human Resources' Business Partners should be consulted for guidance on various work schedule options.

Alternative schedules must not conflict with other University policies, or state or federal regulations, and once agreed upon, should remain stable except when special needs arise.

Regular Schedules

Regularly scheduled positions typically fall into one of two categories for purposes of compensation:

Full-time (for the purposes of compensation)

Employees who work a regular schedule of 40 hours per week.

Part-time (for the purposes of compensation)

Employees who work a regular schedule of between 1 to 39 hours per week.

Non-regular Schedules

In addition to regular work schedules, non-regular schedules may be appropriate. Examples include on-call

employees and temporary employees.

Summer Hours

During the summer months, standard office hours may be adjusted to an 8:00 am to 4:30 pm schedule with a one-half hour meal break at the discretion of individual departments. This summer schedule is typically observed beginning the week after commencement in May through the week before students return for the fall semester in August. Specific information and dates for the observance of summer hours are published each spring by the Office of Human Resources.

Alternative Work Patterns

In addition to standard and summer work schedules, alternative work arrangements are available with departmental approval. The alternative work arrangement should support the business operations and not interfere with the needs of the department. The following are examples of alternative work patterns:

Flex time –The number of hours worked daily remains constant, but shifts are predetermined, with start and finish times staggered at 15 or 30 minute intervals. This arrangement is with supervisory discretion and approval.

Job sharing –The division of responsibilities and labor of a single full-time position between two or more employees, each working less than full-time may be considered job sharing. The employees may perform all elements of the work or divide the tasks. Employees may alternate days, weeks, or may split days. Individual benefits are based on the number of hours worked.

Compressed work week –Work weeks are scheduled such that full-time employees work longer hours but fewer days per week. A typical example is 4, 10-hour days per week.

Alternate work-site – Alternative work site assignments, of either short term or long term duration can be approved for positions that are conducive to less traditional work site arrangements. Alternative work site assignments must be mutually agreed to by the individual employee, the supervisor and the department head. Only regular, full-time and part-time employees in good standing with the university are eligible to be considered for this type of work arrangement. Alternative worksite agreements must be coordinated through the Department of Risk Management and Safety and includes the completion of a [Request for Alternative Work Site Assignment](#) form and an [Alternative Work Site Agreement](#), both signed and dated by the employee, the supervisor, and the department head, are submitted to the Office of Human Resources' Business Partners. Alternate work-site agreements are subject to the following guidelines

The employee's duties, obligations, responsibilities and conditions of employment with the university remain unchanged when the agreement involves only a change in work location. Salary, retirement plan benefits, and University-sponsored insurance coverage will not change unless mandated by the number of hours worked. Job responsibilities, standards of performance, and performance evaluations remain the same as when working at the regular university work site.

Work hours, overtime compensation, and vacation schedule conform to applicable personnel policies. Requests to work overtime, schedule vacation, use sick leave, or in any other way alter the agreed upon schedule are subject to the approval of the supervisor the same as when working at the regular university work site.

The employee remains obligated to comply with all pertinent university rules, policies and practices, and instructions that would apply if the employee were working at the regular university work site.

The employee will report in person to their supervisor at predetermined times and dates as required for ongoing departmental interactions and will participate in any university required training, meetings, etc. as deemed necessary by management.

It is the employee's responsibility to maintain a designated workspace in a safe condition free from hazards. This space will be subject to on-site visits by university representatives.

Use of equipment, software, data, supplies and furniture provided by the university for working in an off-site location is limited to authorized persons for the performance of university business. The employee is responsible for ensuring all items are properly used and maintained.

Unless specifically stated in the signed Alternative Work Site Agreement, the agreement remains in effect until

such time as either party wishes to terminate it. Appropriate notice of termination should be given by the requesting party to provide adequate time for any alternate arrangements that either party must make. Notification that an agreement has been terminated should be made in writing and provided by the department head to the Office of Human Resources' Business Partners.

Salary Administration Guidelines

Base pay is the hourly/biweekly/semi-monthly pay an employee receives on a regular basis. Adjustments to base salary can be applied based on merit or other employment action reasons such as a promotion or transfer as described in the compensation policy. Compensation outside of base pay is allotted for various reasons to include overtime, work that is distinctly different than an employee's primary responsibilities, work that is outside of normal work hours and separate from an employee's regular work, and incentive/recognition awards.

Pay is provided either on a salaried or hourly basis in accordance with the Fair Labor Standards Act (FLSA). Employees that are exempt from overtime regulations are paid on a salaried basis; those who are non-exempt are paid on an hourly or salaried basis and are subject to FLSA overtime provisions. All non-exempt employees that are in a position scheduled to work less than forty (40) hours a week and/or less than 12 months a year will be paid on an hourly basis.

Salaries at Maximum of Market Reference Range

Valued and Top performing employees who are at or above the maximum of their market reference range are eligible to receive a merit increase/lump sum bonus. The amount of merit is not to exceed the established guidelines available for that fiscal year for any employee. Merit may be reflected as an increase to base pay, a lump sum bonus, or a combination of both within the guidelines set forth each fiscal year.

Note: These merit increases or bonuses are payable at the discretion of the University, this includes timing and amount of such payments.

Requests for Retroactive Salary Adjustments

Salary adjustments will be effective the day they are recorded in the HR/Payroll system. If paperwork is delayed past the payroll deadline and requires retroactive pay, base salary can only be backdated up to 30 days. Back pay will be included in the employee's regular payroll check once the record has been updated. If there are extenuating circumstances that would dictate backdating a pay increase more than 30 days, the additional pay will be disbursed as a lump sum payment and requires approval from the Vice President for Human Resources or the Executive Vice President. Lump sum payments will not be grossed up and will be included in the employee's regular payroll check.

New Hire Rates

New employees must start at no less than the minimum of the market reference range for the family, sub-family, career stream and career level of the position into which they have been hired. Hiring rates should be commensurate with the employee's qualifications and related experience and should be in proper relation to similarly situated employees in the same family, sub-family, career stream and career level. Hiring managers should consult the Management Guidebook for Compensation for further recommendations in establishing hiring rates.

Merit Increases

Guidelines for merit increases will be provided on an annual basis from the Vice President for Human Resources. Merit increases are effective on July 1 of each year. Merit increases outside of the July 1 annual merit cycle requires Executive Vice President/Provost approval.

Adjustments to Base Salary

Pay for Performance/Merit – Merit increases based on employee’s performance generally take effect on July 1 of each year. The amount of merit money available for distribution is determined on a yearly basis through market analysis, and a process of recommendations and approvals involving Human Resources, the Finance Division, the Officer Group, and the Board of Trustees. Distribution of merit is at the discretion of the Executive Leadership Team and subject to policy guidelines.

Note: Employees hired after April 1 are not eligible for an annual increase until July 1 of the fiscal year following the calendar year in which they are hired. This should be considered when establishing a hiring rate.

Promotion – Promotion is defined as a regular employee moving to a position of greater responsibility or scope which is in a different career level based on the career level guides. Many factors should be considered when determining a promotional pay increase. Promotional pay increases may not exceed 15% without approval from the Vice President of Human Resources and should be at least to the minimum of the market reference range of the new position.

Note: Employees promoted after April 1 are not eligible for an annual increase until July 1 of the following fiscal year. This should be considered when establishing a promotional rate.

Transfer – Transfer is defined as a regular employee moving from one position at the University to another that is not classified as a promotion. To be considered a transfer; the change must include moving between subfamilies or market reference ranges while staying in the same career stream. Transferring to another position is an opportunity for an employee to expand their depth of knowledge and increase their career development opportunities. Individuals asked to transfer for career development or business need purposes may be eligible for an increase up to 7.5%. If there are extenuating circumstances, a higher increase may be appropriate and requires the Vice President for Human Resources approval.

Market Adjustment – Market adjustments are salary adjustments for an employee or group of employees that have fallen behind in base salary as compared to similar positions on campus and/or in the market. Market adjustments do not occur in conjunction with a change in title, grade, or FLSA status. Rationales for considering an equity adjustment are:

Consideration of a more appropriate alignment between the salaries of similarly situated employees performing work at the same family, sub-family, career stream and career level, with similar levels of experience, background, and performance.

OR

Consideration of a more appropriate relationship between the salaries of existing employees and the relevant market. Any adjustment that is given to bring employees in line with the external market is subject to internal equity. Adjustments will not be made if differences are explainable based on qualifications, type or length of experience (both internal and external to Notre Dame), the work itself, and/or performance and productivity.

All market adjustments are subject to Human Resources approval as well as budget constraints. Additional guidelines are available for hiring managers to assist in determining the appropriate pay for employees within the market reference ranges. Collaboration with Human Resource Business Partners and Compensation Team is recommended when establishing hiring pay.

Compensation for Additional Work

Work performed distinctly separate from or in addition to an employee’s primary position is compensated under certain circumstances. There are two different methods for compensating additional work: (1) a

secondary or overload position for work that is being performed on an ongoing basis and is distinctly separate from and unrelated to an employee's primary position or (2) lump sum payments for work of a significantly higher level/scope or unrelated to employee's primary position that occurs on a single day or within a short period of time. Additional work must be free of any inference or conflict of interest and may not interfere with the person's primary position.

Secondary Jobs

An employee may be compensated for work unrelated to and distinctly separate from the person's primary job and which is performed on personal time outside the normal work day. Secondary jobs can be utilized for employees working two part-time jobs or one full-time (40 hours a week) job plus a part-time job. Secondary jobs can be regular staff positions, temporary positions, or on-call positions. Hours worked in a regular (not temporary or on-call) secondary job are considered when determining benefits for employees that work a total of at least 30 hours a week for a 12 month period or 40 hours a week for a 9 month period. (See Benefit policy for details.) Employees performing work in a secondary job should be compensated comparably to the average salary of similarly situated employees performing the same level and type of work on campus.

Secondary job guidelines vary depending on the Fair Labor Standards Act exemption status and are as follows:

Non-exempt

Secondary jobs can be used for non-exempt employees working two part-time jobs or for non-exempt employees working a full-time job and a second job in a different organization at the University. All non-exempt secondary jobs must be paid hourly and not on a salary basis. Further, the employee has a duty to report that they are accepting a secondary job to their primary job supervisor prior to beginning work.

Working two part-time jobs at the University – When an employee works two part-time jobs at the University, one job will be designated as the primary job and the other as secondary. The designation of primary or secondary job should remain stable regardless of schedule changes that may occur throughout the academic year based on needs. The organization funding the secondary job is generally responsible for overtime payments for work performed above 40 hours within a scheduled work week.

Working a full-time (40 hours per week) job and a second job in a different organization at the University – An employee that has a full-time (40 hours/week) job at the University is eligible for a secondary job; however the full-time position is always deemed primary. Another organization at the University can hire the employee on a part-time basis in a secondary job. Compensation for the secondary job should be comparable to the average salary of similarly situated employees performing the same level and type of work and may need to be paid at an overtime rate. The organization funding the secondary job is generally responsible for overtime payments for work performed above 40 hours within a scheduled work week. If the employee's full-time job is salaried, the secondary job must be paid at the blended overtime rate for all hours worked in order to meet the provision of the FLSA.

NOTE: Blended rates for overtime will be used when an employee has two jobs that are compensated at different pay rates.

Exempt

An employee in an exempt part-time position (39 hours or less on a regular basis) can have a secondary job only if it is exempt. Both primary and secondary positions must be exempt and cannot exceed one FTE (full-time equivalent).

Overload Jobs for Exempt

Overload jobs are used for full-time (40 hours per week) exempt employees only. When an exempt employee works their primary regular position schedule and performs additional exempt level duties on a regular basis

that are unrelated to and distinctly different from their primary position, they are eligible for an overload job. Compensation received for overload jobs is not eligible for benefits. The Compensation Team should be consulted to determine the appropriate amount of pay based on the level and nature of work performed.

Lump Sum Payments for Additional Work

Lump sum payments are appropriate for the following reasons:

Additional work performed that is distinctly different and unrelated to the employee's primary position that occurs on a single day or within a short period of time can be compensated with a lump sum payment.

Employees temporarily performing higher level work can be compensated in lump sum payments. An employee assuming a supervisor's role or higher level role due to an extended absence or during an interim period when the position is vacant may be eligible for a lump sum(s).

Lump sum payments should be submitted in a timely manner to Compensation and will be processed by Payroll and added to regularly scheduled pay checks.

Note: If the employee is non-exempt, they must be compensated for any work over 40 hours in a work week at a rate of at least one and one-half their base rate and as part of regular payroll regardless of the nature or exemption status of the work performed.

Staff Compensation for Instructing Academic Courses

A staff employee may be allowed to instruct an undergraduate or graduate course with Officer level approval. Compensation for this additional work should be similar to that of an adjunct faculty for comparable instruction.

Other Compensation

Call-Back Work Time

University non-exempt staff employees who are called back to work outside their regular schedule are guaranteed at least two hours of work pay. This does not apply when an employee still at work is asked to continue working past the normal quitting time. If the extra hours worked by the employee are over 40 hours that week, it is overtime; however, only hours actually worked will be paid at time and one-half. For example, a 40 hour/week employee is called back to work. The employee only works one hour. The two hours of call back pay are paid as follows: 1 hour (actually worked) is paid as overtime and the other 1 hour is paid as straight time.

Shift Differential

Non-exempt staff employees for whom their regularly scheduled shift includes at least six (6) consecutive hours starting no earlier than 2:00 p.m. and no later than 2:00 a.m. should receive shift differential payment. (This is based on regularly scheduled and consecutive work hours). Shift differential is paid only for hours worked and is not included in the calculation of paid time off. Shift differential is based on the nature of the work and industry standard for the particular department.

Variable Compensation

Variable compensation (bonus/incentive) should be coordinated with Human Resources Consultants and Compensation.

Overtime and Travel Compensation for Non-exempt Employees

Overtime

The standard full-time workweek for non-exempt employees is 40 hours. During peak workloads or

emergencies, it may be necessary for non-exempt employees to work overtime. Overtime is calculated on a weekly basis (from 12:00 a.m. midnight Saturday to 11:59 p.m. the following Friday). Further, only time actually worked counts toward overtime; leave time taken and holiday time does not count toward the 40-hour period for overtime purposes.

Non-exempt employees earn one and one-half of their base hourly rate (plus any shift differential as applicable) for overtime hours. Overtime hours must be approved prior to being worked and must be paid within a reasonable time period and in accordance with the Fair Labor Standards Act. The University does not provide compensatory time off (comp time) in place of overtime pay; however, it is acceptable to offer a modified schedule (flex time) so that the employee still only works 40 hours in one workweek.

Travel Pay for Non-exempt Employees

Non-exempt employees (regular or temporary) must be compensated for time spent traveling based on the following guidelines:

Normal commute/travel time to work is not compensated.

Single-day out-of-town travel is considered compensable time, excluding commute home-to-work travel time (this includes alternate work site).

Overnight out-of-town travel time is compensated when it is within the employee's regular workday. This is true for hours worked on regular working days during normal working hours and during the corresponding hours on nonworking days.

Regular meal period time is not considered compensable time while traveling.

If an employee must commute/travel to a location outside of their normal place of work to fulfill work requirements, that actual travel time may or may not be compensated as outlined below:

1. If the travel is within normal work hours it is compensated
2. If the travel is outside of normal work hours and is on a common carrier or the employee is a passenger in a vehicle other than a common carrier AND work is performed, the travel time is compensated
3. If the travel time is outside of normal work hours and is on a common carrier or the employee is a passenger in a vehicle other than a common carrier and NO work is performed, the travel time is not compensated.
4. If travel time is outside of normal working hours and the employee is required to drive, the time is compensated.

Examples:

a. An employee regularly works from 8 a.m. to 5 p.m. from Monday through Friday. The employee travels on business to a location that requires two hours of travel time. The employee leaves Friday at 8 a.m., works the remainder of Friday and Saturday morning, and returns on Saturday at 2 p.m. The two hours of travel time on Friday and the two hours of travel time on Saturday are compensable time. The hours worked on Friday and Saturday are also compensable time.

b. An employee regularly works from 8 a.m. to 5 p.m. from Monday through Friday. The employee travels on business to a location that requires two hours of driving to the airport and a 5 hour flight. The employee leaves Saturday at 8 a.m. and arrives at their destination at 4 p.m. but doesn't begin work until Monday at 8 a.m. The employee then works until 5 p.m. on Monday and from 8 a.m. to 5 p.m. on Tuesday. After the meeting ends at 5 p.m., the employee catches a cab to the airport, flies and upon arrival at the airport drives two hours home. The employee arrives Wednesday morning at 1 a.m. and returns to work at the regularly scheduled time that day to work the remainder of the week. The two hours driving time on Saturday and 2 hours of driving time on Tuesday night/Wednesday morning is compensable time. The work hours on Monday and Tuesday are also compensable time. Meal times and other time outside the employee's normal work hours are not compensated, the flight time is not compensated since it is on a common carrier and no work was performed.

Training Time for Non-exempt Employees

Time spent by non-exempt employees in training or preparing for training outside regular working hours shall be considered hours of work for the purpose of computing FLSA overtime if the training is required by the University, department, or supervisor to:

1. Bring performance up to a fully successful, or equivalent level; or
2. Provide knowledge or skills to perform new duties and responsibilities in the employee's current position

Time spent in training is not compensated if all four of the following criteria are met: (a) attendance is outside of the employee's regular working hours; (b) attendance is in fact voluntary; (c) the course, lecture, or meeting is not directly related to the employee's job; and (d) the employee does not perform any productive work during such attendance.

Note: If the training is required by law and is outside of regular working hours, then the time is not considered compensable time.

Holiday Impact on Overtime Pay

When non-exempt employees are required to work on a University recognized holiday (either on the actual holiday or on the day in which that holiday is observed) they can either be given an alternate day off within that pay period or be paid for all hours worked plus holiday time. Holiday time does not count toward the 40 hour per week required to qualify for overtime pay. For example: If an employee works Monday through Friday, 8:00 a.m. to 5:00 p.m. (40 hours) and Friday was a holiday, the employee would be paid for 48 hours straight time. If an employee works both the actual and observed day of a University recognized holiday, the employee will only receive one alternate day off within that pay period or holiday pay for one of those days and regular pay for the other.

Send us your comments and questions.

Announcements

Mammograms on Campus – July 18

[More Information](#)

July Be Well Series: Reducing Future Risks (cont'd)

[More Information](#)

Reminder to parents: apply now for fall tuition benefit

[More Information](#)

Fidelity retirement counseling at Eddy Street Commons

[More Information](#)

Salary notifications available June 23 via insideND

[More Information](#)

UPDATE: Staff Picnic RESCHEDULED for Thursday, June 12

[More Information](#)

Team Irish Award nominations open through June 27

[More Information](#)

7/14/2014

Staff Compensation Policy // Office of Human Resources // University of Notre Dame

Phone: (574) 631-5900

Email: askhr@nd.edu