Development Day 2019
Compensation 101
Today’s Topics

• Impact of Compensation Decisions
• Regulatory Concerns & TAMUS Pay Plan
• Compensation Philosophy
• Compensation Terms
• TAMUS Policies and TAMUCC Rules and Procedures
• Workday Reports
Impact of Compensation Decisions

• Attract and Retain Talent
• Efficiency, Equity and Compliance
• Reward Performance
• Employee Development and Growth
• Recognition of Contributions

Bad decisions can result in unwanted turnover, unhappy employees, budget overages and legal action.
What is Compensation?

All forms of financial returns and tangible services and benefits employees receive as part of an employment relationship.
Types of Compensation

**Direct Compensation:** Base pay, overtime, longevity pay, hazardous duty, supplemental pay, merit pay

**Indirect Compensation:** Paid leave. Social security, workers' compensation, unemployment compensation, pension plans, health, dental, vision, life, insurance)

**Intangible Compensation:** Non-monetary rewards (work/life balance, alternative work schedules, on-the-job training, development opportunities, etc.).
Regulatory Concerns

- Equal Pay Act of 1963
- Age Discrimination in Employment Act of 1967
- OFCCP & Executive Order 11246
- Lilly Ledbetter Fair Pay Act
- Fair Labor Standards Act
TAMUS Pay Plan
System Wide Catalog of Job Titles

Pay Grade Structures
- IT Jobs (PG 57-88)
- Non IT Jobs (PG 1-30)
- Three structures to allow for geographical differences
- Faculty, Student Titles, Coaches and Senior Execs excluded

http://hr.tamucc.edu/Compensation/Pay_Plan.html
Factors Influencing Pay Decisions

- Market Pay
- Internal Equity
- Pay Grade
- Available Funds
- Working Conditions
- Performance
- Job Required KSA’s (Knowledge, Skills and Abilities)
- Incumbent’s KSA’s
- Other job related, legally compliant reasons
Compensation Philosophy

Texas A&M University-Corpus Christi is committed to attracting, retaining, and rewarding a qualified and diverse workforce. Within the boundaries of financial feasibility, employee compensation shall be externally competitive and internally equitable. Compensation actions will be compliant with federal and state laws, system policies and regulations, and the Texas A&M University System (system) pay plan administration program guidelines.
Compensation Terms
**Classify:** The assignment of a job profile to a specific position.

**Reclassification:** A change in the assigned job profile as a result of a change in responsibilities and/or promotion.

**Job Analysis:** Systematic study of work activities, tasks and responsibilities of a particular job or group of jobs.

**Exempt Job:** A job not subject to the minimum wage and overtime provisions of the Fair Labor Standard Act (FLSA).

**Non-Exempt Job:** A job subject to the minimum wage and overtime provisions of the FLSA.
**Job Family**: The organization of related job profiles into a family.

**Job Profile**: Workday term for job title/classification. Reflects the job code, job description and other key attributes about the job classification.

**Job Description**: Generic description of a job, which includes work to be performed and required KSA’s (knowledge, skills and abilities).

**Position Description**: A group of specific responsibilities assigned to a specific position and performed by an employee. Details position specific required KSA’s.
Pay Plan: A structure for classifying positions which provides a framework for the assignment of job codes, job titles, FLSA, EEO codes and salary ranges.

Salary Range: The span from minimum to maximum that constitutes a pay or salary range established for a particular job.
**Salary Spread:** The distance between the minimum and the maximum salary in a range.

**Mean Wage:** The average wage for a worker in a specific position or occupation.

**Median:** The middle value in a series of values arranged in rank order.

**Pay Range Quartiles:**

<table>
<thead>
<tr>
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<th>Pay Grade 8: $33,362 - $61,958</th>
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</thead>
<tbody>
<tr>
<td>1st Quartile</td>
<td>$33,362 - $40,511</td>
</tr>
<tr>
<td>2nd Quartile</td>
<td>$40,512 - $47,660</td>
</tr>
<tr>
<td>3rd Quartile</td>
<td>$47,661 - $54,809</td>
</tr>
<tr>
<td>4th Quartile</td>
<td>$54,810 - $61,958</td>
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</table>
**CompaRatio:** The relationship between pay rate and the midpoint of the pay range.

<table>
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<tr>
<th>Base Pay</th>
<th>Midpoint</th>
<th>Compa Ratio</th>
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<tr>
<td>$58,000</td>
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**Pay/Salary Compression:** Generally occurs when market pay outpaces internal pay increases and employers must offer rates above existing employees to fill vacancies.
TAMUS Polices and Regulation

31.01 Compensation

31.01.01 Compensation Administration

31.01.02 Fair Labor Standards

31.01.04 Longevity and Hazardous Duty Pay

31.01.08 Merit Salary Increases

31.01.09 Overtime
TAMUCC Rules and Procedures

31.01.08.C1 Merit Pay
31.01.08.C1.01 Merit Pay for Faculty
31.01.09.C0.01 Overtime

Currently Under Review:
31.01.01.C2 Non-faculty Compensation Administration
31.01.01.C2.02 Temporary Salary Increases
31.01.01.C2.03 Reclassifications of Non-faculty Positions

Recommended for Deletion: 31.01.01.C2.01 Salary Increases Not Awarded Through the Regular Budget Cycle
Workday Reports

• **Compensation Spreadsheet with Company and Position:** Provides overview of compensation information for a supervisory organization.

• **Current Worker Detail Report:** View compensation details workers in selected organizations to include compensation ranges.

• **Employee Compensation Details by Job Profile:** View worker compensation for employees assigned to positions in selected job profiles as of a specified date.
Questions?

Thank You!