Your Guide to the University Human Resources System
Overview

The passage of the Virginia Higher Education Restructuring Act in 2006 (the “Restructuring Act”) gave William and Mary — along with the University of Virginia and Virginia Tech — much more individual control over many operations, including construction, finance, information technology, and human resources. The ability to design our own human resources system, tailor-made for the higher education environment, was the most significant flexibility provided to the University.

Under restructuring, state classified employees have the option to remain in the state’s HR system until retirement or to become operational employees in the University’s HR system. The Restructuring Act requires that the University give state classified employees an opportunity to elect to become operational employees of the University’s HR system at least once every two years. As promised in the Fall of 2015, we have made the decision to provide classified employees with an ongoing opportunity to convert to the University system. Therefore, beginning March 25, 2016, the University is implementing a “rolling” open enrollment process. Rolling open enrollment means that classified employees may elect to convert to the University system in their current position during any payroll period in the year. You may also make the decision to move to the University HR system if you are promoted or transferred to another position. As noted on the Enrollment Form, employees must enroll in the University system by May 9th of each year to be eligible to receive a university merit based salary increase for that year. If you move to the University system, this decision is irrevocable which means that you cannot return to the rank of a classified employee as long as you remain an employee of the College.

The University HR system has three distinct advantages for University operational employees:

1. Salary and pay increases are determined by the University and not by the General Assembly and are based on “pay for performance” and market factors. As a result, depending upon performance, University employees may receive a salary increase that is greater than the average merit pool percentage. A summary of the University’s classification and compensation system can be found in Appendix A;

2. A performance management and evaluation process that provides you with: (a) a clear understanding of what is expected of you; (b) the basis on which you will be evaluated; and (c) opportunities for ongoing feedback and communication. More information about the University’s Performance Management Process can be found in Appendix B;

3. In most cases, University operational employees are governed by University policies and not the State Department of Human Resources (DHRM) policies. We continue to develop a set of policies that we believe are far more streamlined, responsive, and transparent. Please refer to Appendix C for more information about Employee Life, University policies and benefits at William & Mary.

Frequently Asked Questions

We know that many of you have questions about how what it means to be a classified employee versus a University operational employee. The following are some common questions that you may have about enrolling in the University system and answers to these questions.

Q: **If I choose to become a University operational employee, do I lose any of my leave balances?**

A: No, you retain all of your leave balances that you have accrued as a classified employee.


Q: Will any of my benefits change if I become a University operational employee?
A: No, your benefits will remain the same.

Q: If I become a University operational employee, am I still able to use the state grievance procedure system?
A: Yes, University operational employees also have access to the state grievance system.

Q: How have state pay increases compared to the University pay increases in the past?
A: The chart below compares the increases that State employees have received and the increases that University operational employees have received over the last five years.

### Salary Increase Rates: State versus University Employees 2010 – 2015

<table>
<thead>
<tr>
<th>Date of Increase</th>
<th>State Classified Employees</th>
<th>University Operational Employees</th>
<th>State and University Bonus</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 2010</td>
<td>0%</td>
<td>0%</td>
<td>3%</td>
</tr>
<tr>
<td>November 2011</td>
<td>1.5% to 3%(^1)</td>
<td>1.5% to 3%(^1)</td>
<td>0%</td>
</tr>
<tr>
<td>November 2012</td>
<td>0%</td>
<td>1%</td>
<td>0%</td>
</tr>
<tr>
<td>December 2012</td>
<td>0%</td>
<td>0%</td>
<td>3%</td>
</tr>
<tr>
<td>July 2013</td>
<td>2% + $65 for each year of state service (^2)</td>
<td>4%</td>
<td>0%</td>
</tr>
<tr>
<td>August 2014</td>
<td>0%</td>
<td>3%</td>
<td>0%</td>
</tr>
<tr>
<td>August 2015</td>
<td>2% + $65 for each year of state service (^2)</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>5.5% to 12.77%(^2)</strong></td>
<td><strong>11.5% to 13%(^3)</strong></td>
<td><strong>6%</strong></td>
</tr>
</tbody>
</table>

\(^1\)The College funded and gave a 1.5% increase to both eligible state classified and University operational employees. The College also funded an additional merit pool for select employees that averaged 1.5%.

\(^2\)The $65 compression adjustment in 2013 and 2015 was only available to classified employees with 5 or more years of state service and was capped at $1,950. The compression adjustments were approximately equal to a 5.77% funding increase (2.81% in 2013 and 2.96% in 2015). Because the compression adjustment varied based on years of service, the actual percentage increases for classified employees would have been greater in some cases and less in others...

\(^3\)The average salary pool for University employees was 11.5% to 13%. Based on individual performance, the actual percentage increases would have been greater in some cases and less in others.

Q: What pay increases will classified and University operational employees receive in 2016?
A: Pay increases have not yet been determined by either the State or the University for 2016. The General Assembly and Senate are each recommending an increase in 2016, but the State budget is not finalized. The University intends to request that the Board of Visitors approve and fund a merit pool to provide salary increases to University employees in 2016.
In Summary

Whatever decision you make, we hope you will carefully review all the information available to you about the University HR system and its advantages for William and Mary operational employees. The following is a short side-by-side comparison of the information presented in this brochure for your ease of reference. And, of course, you may send questions to HR using a special email address: AskWMHR@wm.edu HR staff members are always available — by phone, e-mail, or in a face-to-face meeting — to answer any question you may have.

<table>
<thead>
<tr>
<th>SYSTEM ELEMENTS</th>
<th>POLICY/PROGRAM</th>
<th>STATE HR SYSTEM</th>
<th>UNIVERSITY HR SYSTEM</th>
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<tr>
<td>Classification/</td>
<td>Employee Category</td>
<td>Classified Employee</td>
<td>University Operational Employee</td>
</tr>
<tr>
<td>Compensation</td>
<td>Classification and Compensation System</td>
<td>Broad-band system using pre-determined salary bands</td>
<td>Salary ranges based on relevant competitive markets and employee contribution levels</td>
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<td></td>
<td>Salary Increase</td>
<td>Across-the-board salary increases, compression adjustments, and bonuses</td>
<td>Salary increases, based on employee performance and market equity, and bonuses</td>
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<td>Employee Relations</td>
<td>Performance Management</td>
<td>State Performance Management Policy</td>
<td>University HR Performance Evaluation Process</td>
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<td>Grievance Procedure</td>
<td>State Program</td>
<td>State Program</td>
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<td>Employee Policies</td>
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<td>Core Benefits</td>
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<tr>
<td>Severance Benefits</td>
<td>State Program</td>
<td>State Program</td>
<td>University Severance Policy</td>
</tr>
<tr>
<td></td>
<td>Severance amount based on employee's years of continuous State service. Maximum of 36 weeks.</td>
<td></td>
<td>Severance amount for operational employees based on employee's years of continuous University service. Maximum of 52 weeks.</td>
</tr>
<tr>
<td>Employee Life</td>
<td>Definition of Family</td>
<td>- Parents, including stepparents or those who stood in place of parents</td>
<td>Expands the State definition of &quot;family&quot; to include aunts, uncles, grandparents, in-laws, and adults domiciled in the household</td>
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<tr>
<td></td>
<td></td>
<td>- Spouses as defined by state law</td>
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<td></td>
<td>- Children, including stepchildren, foster children, and legal wards</td>
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<td></td>
<td></td>
<td>- Siblings, including Stepsiblings</td>
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<td></td>
<td></td>
<td>- Any relatives, by blood or marriage, domiciled in the household</td>
<td></td>
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<tr>
<td>Leave Sharing</td>
<td>Requires 10-day waiting period - State Program</td>
<td>No waiting period - University Program</td>
<td>No waiting period - University Program</td>
</tr>
</tbody>
</table>

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Appendix A

Understanding the Classification and Compensation System

Guiding Philosophy

The foundation of the University HR system is the classification and compensation system — how each job at William and Mary is defined and how the compensation level is determined. The design of William and Mary’s classification and compensation system has been guided by these principles:

- The job classification system is based on understandable and objective criteria, respects every operational employee’s contribution to the University, reflects the University's specific operations and mission, and is flexible in approach.

- Employee compensation for operational employees will be based on market pay ranges for positions requiring similar skills, knowledge, ability, and experience, as well as the specific position’s role and contribution level within the institution.

- Operational employees will be rewarded for excellent performance with merit-based salary increases. We believe that this “pay for performance” philosophy promotes individual career growth and development, provides managers with additional tools with which to reward operational employees for their accomplishments and contributions, and strengthens the partnership between the University and employees.

Pay range Each operational position is assigned a pay range that reflects its contribution to the University’s mission, as well as its position in the labor market. Pay ranges are reviewed every three years to ensure that they reflect changes in the marketplace.

An individual operational employee’s compensation within a designated pay range is determined by three factors:

1. **Performance** Under the University HR system’s “pay for performance” philosophy, employee compensation for operational employees is linked directly to performance. We developed an employee performance evaluation system that is the basis for awarding merit-based salary increases.

2. **Equity within the Institution** The University aspires to provide compensation for operational employees that is competitive with pay levels for jobs with comparable
responsible and requiring comparable competency and experience levels.

3. **Equity in the Marketplace**  The long-term goal of the University HR system is to bring compensation up to median market pay for every operational employee. This process is gradual. To determine the marketplace value of a position, we compare jobs with local, regional, and national peer groups depending on where we recruit for the position.

**If you remain a classified employee** — your job will continue to be classified under the state system. Your compensation will be governed by the Commonwealth’s Department of Human Resources policies. Any changes in compensation, to either base salary or a bonus, will reflect actions of the Governor and General Assembly.

**If you elect to become an operational employee** — your position will be categorized according to the role. Your compensation is the contribution-based system described above. As an operational employee, you have two types of salary increases available to you:

- **Merit increase** is based on performance and reflects the University’s recognition that performance which exceeds expectations should be rewarded.
- **Market increase** is based on performance and reflects the University’s recognition that salaries need to be competitive with the external market.

In other words, operational employees may receive future merit-based salary increases even when the General Assembly does not otherwise authorize an increase for state employees.
Appendix B

Performance Management Process

Guiding Philosophy
We remain committed to building a robust and dynamic performance evaluation process that emphasizes the connection between pay and performance and takes into account the unique talent and skills of each of our operational employees. As a classified employee, you follow the State’s performance management policy. However, if you are a University operational employee, you will follow the performance evaluation process outlined below.

What You Need to Know as an Operational Employee

Individual Performance Plan Every operational employee at the University will work with his or her supervisor to develop an individual performance plan at the beginning of each yearly performance cycle. The plan will set clear, specific goals and expectations for job performance.

Ongoing Communication Supervisors are expected to have regular conversations with their employees about their performance, both strengths and opportunities for improvement. Adjustments can be made to individual performance plans if needed during the yearly evaluation period.

Performance Ratings Performance ratings are determined by the employee’s immediate supervisor, and reviewed in turn by his or her supervisor. There are five ratings: (1) Exceptional; (2) High; (3) Satisfactory; (4) Fair; (5) Unsatisfactory.

Ensuring Consistency For consistency and accuracy within and across departments, divisions, and schools, the Provost, Vice Presidents, and Deans will discuss with their direct reports how ratings are to be applied throughout their areas.

Training for Supervisors Supervisors receive comprehensive training on developing performance plans and carrying out performance evaluations for their employees. Training in communication skills and supervisory skills will also be provided.

Types of Pay Increases Available to Operational Employees
As summarized in Appendix A, the University HR compensation system applies the principles of market, merit, and accountability. Operational employees receiving a fair rating on their annual performance evaluation will not be eligible for a merit increase, but may, under certain circumstances, be eligible for a market increase. Operational employees receiving an unsatisfactory rating will not be eligible for either a merit or market increase.

Consistency The Provost, Vice Presidents, and Deans are responsible for the consistent and equitable application of pay practices for all salary actions within their division, department, or school.
Appendix C

Employee Life

Employee Policies

We commit ourselves at William & Mary to open, honest, and transparent communication. The University HR System is built around the core belief that university policies should create and cultivate a campus community that inspires excellence in our faculty, staff, and students and an environment where we are recognized as a great place to work. We continue to look at how we can improve our university policies to make them work better for you. We do so by:

- gathering critical input from employees across campus about issues that are important to you; and
- using your feedback to revise or develop new policies.

Severance

Sometime the University must make difficult decisions that will result in the loss of employment. Severance in the State system for eligible classified employees is based on a classified employee’s years of continuous State service with a maximum of 36 weeks of benefits. In contrast, severance in the University system for eligible operational employees is based on an operational employee’s years of continuous University service with a maximum of 52 weeks of severance.

Core Benefits

In addition, whether you choose to remain a classified employee or you become part of the University HR system, the core benefits that you receive will not change. These core benefits include:

- Retirement benefits
- Life insurance
- Health insurance
- Accidental death and dismemberment insurance
- Workers compensation benefits
- Access to the State’s optional benefits
- Virginia Sickness and Disability Program

As a classified employee, some of the University policies, such as telecommuting, the definition of family, and leave share are different than the DHRM policies. In these cases, a classified employee cannot take advantage of the University policy even if it is more favorable.