



Administrative Policy and Procedures Manual

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Effective Date: January 10, 2009	Responsible Office: Human Resources
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I. Scope

This policy applies to Professionals, Professional Faculty and Operational Employees of the College of William and Mary and the Virginia Institute of Marine Science (hereafter the "College"). Instructional and research faculty and executive employees are not governed by this policy.

II. Purpose

The purpose of this policy is to provide guidelines for establishing and administering a compensation plan for Professionals, Professional Faculty and Operational Employees.

III. Compensation Philosophy

The College aspires to provide compensation that is equitable and competitive. The rate of pay for each position will be based on relevant competitive markets and the level of contribution of the position. It is the College's goal to pay employees at the median rate of the relevant market, subject to the availability of financial resources and individual employee performance. The Provost, Vice Presidents, Deans, and Directors are responsible for ensuring that compensation decisions are made in a fair, consistent, and equitable manner.

IV. Classification Structure

A. The classification structure is a role- and contribution-based system that, applied together with the compensation plan:

- Respects every employee's contribution
- Recognizes individual performance
- Promotes individual career growth and development
- Bases salary on market ranges
- Is flexible
- Is easy to understand and to administer.

B. Each position is assigned a Category, Role and Contribution Level. Categories define the level and type of responsibility and Roles define the type of work performed. Contribution Levels are assigned based on competency factors. See "Classification Policy for University Employees".

C. Each position is assigned a pay range based on category, role, contribution level and the market rate for comparable positions. The employee's salary within the pay range depends on performance, experience and internal equity within the department, school and/or College.



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V. Pay Practices

All salary actions are subject to the availability of necessary financial resources.

A. Starting Salary

1. Job offers are intended to attract a highly skilled, competent workforce, by offering salaries that are competitive in the marketplace. This practice applies to new hires and rehires.
2. Hiring managers, in consultation with Human Resources, have the flexibility to negotiate starting pay from the minimum up to the midpoint of the assigned pay range. Starting pay determinations shall take into consideration the applicant's prior experience, education and other qualifications directly related to the position to ensure internal equity.
3. A starting salary offer above the pay range midpoint for a position may be made only with appropriate justification by the hiring department or manager, a documented recommendation from Human Resources and approval from the Provost or the appropriate Vice President, Dean or Director.

B. Pay for Performance

All pay increases are based on performance. Pay increases may be communicated to the employee only after consultation with Human Resources and approval by the Provost or the appropriate Vice President, Dean or Director.

1. Market – Employees with salaries that have been determined to be below the market midpoint of the assigned pay range are eligible for market-based compensation increases. The amount of any market adjustments is determined each year during a comprehensive review of all University employees. Employees receiving an “unsatisfactory” performance rating are not eligible for a salary increase.
2. Merit – Pay increases based on job performance as measured through annual performance evaluations may be granted once the market mid-point has been reached. Only employees who have received a “high achiever” or “exceptional achiever” performance rating are eligible for merit-based pay increases.
3. Annual bonuses may be awarded in lieu of a base pay increase. See the College's Policies on Performance Management.



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C. Equity Adjustment

1. An internal equity adjustment can be made when there is an inequity between the salary of one employee and another in the same job with comparable experience, qualifications, contribution level, and performance to bring salaries into alignment, not to exceed the midpoint.

D. Competitive Offers

1. A competitive salary offer may be made in order to retain employees who are highly skilled and performing at a high level.
2. Managers shall take into consideration the external market for the employee's current position, impact on internal equity and the employee's performance, and shall consult with Human Resources prior to requesting approval from the Provost or the appropriate Vice President, Dean or Director. The employee's salary may be increased up to the amount of the offer not to exceed the maximum of the pay range for the position.

E. Temporary Pay Adjustments

Certain circumstances may dictate the need to provide employees with additional compensation for limited periods of time. Departments may work in conjunction with Human Resources to structure pay increases of limited duration for the situations described below. Once the amount has been determined, approval is required by Provost or the appropriate Vice President, Dean or Director.

1. Project-based pay increases may be awarded to employees who are assigned a long-term project that significantly adds to their job duties and responsibilities for a discrete period of time. Such increases may be given in increments tied to project milestones or as a lump-sum bonus at the project's completion.
2. Temporary pay adjustments may be provided to an employee who assumes the duties and responsibilities for another position in whole or in part for a specified period of time. Managers shall consult with Human Resources to determine the appropriate amount of temporary pay, which may not exceed the midpoint of the higher pay range.

F. Promotion

1. A market-based promotion occurs when an employee accepts a different position in a higher pay range. A contribution-level promotion occurs when an employee accepts a different position within a higher contribution level and a higher pay range.



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2. Promotions may occur through a competitive process or through a reclassification of the current position due to increased responsibilities and competencies moving the position to a higher pay range and contribution level.
3. Managers, in consultation with Human Resources, have the flexibility to negotiate promotional increases from the minimum up to the midpoint of the new pay range. Promotional increases above the range midpoint may only occur with appropriate justification, documented recommendation from Human Resources and approval from the Provost or the appropriate Vice President, Dean or Director.

G. Transfers

1. A voluntary transfer occurs when an employee accepts a different position in the same pay range and contribution level through a competitive process or an approved request initiated by the employee.
2. An involuntary transfer occurs due to management reorganization within the College or disciplinary action.
3. The transferred employee's salary will not change unless the employee's salary is out of alignment with comparable positions within the unit or college or disciplinary action warrants a reduction. Any salary increase/decrease must be discussed with Human Resources.

H. Demotions

1. A voluntary demotion occurs when an employee accepts a different position in a lower pay range through a competitive process or an approved request initiated by the employee. For demotions in lieu of layoff, see the College's "Layoff Policy for Operational Employees."
2. The employee's salary is negotiable from the minimum of the lower pay range up to the midpoint of the salary range not to exceed employee's current salary.
3. If the employee's current salary exceeds the maximum of the lower assigned pay range, the employee's salary will be reduced in consultation with Human Resources.

I. Discretionary Bonus

1. Discretionary bonuses may be awarded to recognize employees that have demonstrated superior individual performance or outstanding team success.



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VI. AUTHORITY AND INTERPRETATION

This policy has been approved by the College's Board of Visitors under the authority provided in the Restructured Higher Education Financial and Administrative Operations Act, Chapter 4.10, Title 23 of the *Code of Virginia* and the Management Agreement effective July 1, 2006.

Interpretation of this policy is the responsibility of the Office of Human Resources. The College of William and Mary reserves the right to revise or eliminate this policy at any time.