

# Texas A&M AgriLife Extension Service Procedures

31.01.01.X0.01 | Compensation Administration

Revised: April 24, 2017

Next Scheduled Review: April 24, 2022



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## PROCEDURE STATEMENT

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Texas A&M AgriLife Extension Service (AgriLife Extension) employs individuals in every region of the state to accomplish a diverse set of tasks in an ever-changing environment. For this reason, flexibility in the establishment of the starting pay rate is essential. However, to assure a general uniformity of titles, positions will be established based on a grouping of titles which represent selected duties and responsibilities requiring similar abilities and skills. Titles will be taken from the listing of titles for members of The Texas A&M University System (A&M System). Use of standardized titles will ensure uniformity in budgets, payrolls, and other official records, and afford a basis for uniform salary treatment of employees engaged in comparable work at their respective locations.

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## REASON FOR PROCEDURE

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This procedure is required by A&M System Regulation 31.01.01, *Compensation Administration*.

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## PROCEDURES AND RESPONSIBILITIES

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### 1.0 PAY POLICY

- 1.1 AgriLife Extension will pay salaries and wages at a competitive rate in each labor market where it operates to attract and retain outstanding employees within available funds and consistent with the value of the position to the organization. In this context, the determination of pay rates will be in accordance with the A&M System-wide Pay Plan and dependent upon such factors as availability of funds, qualifications of employees, local or regional market conditions, internal equity, and performance. However, in no event will a rate be established that is less than the minimum wage prescribed by state or federal regulations.
- 1.2 All decisions with respect to pay rates will be made without consideration of an individual's race, color, sex, religion, national origin, age, disability, genetic information, veteran status, sexual orientation, or gender identity.

### 2.0 PAY PROCEDURES FOR NEW EMPLOYEES

The starting pay for a new employee—either in a budgeted or wage position—shall be the minimum rate established for the position in the Pay Plan or as approved by the Director as the minimum rate for a title.

- 2.1 Unit heads have the flexibility to hire within the lower band of the pay grade (middle band of the pay grade for research titles\*) when necessary to attract a candidate who possesses qualifications beyond the minimum required. This does not require approval by the Director or designee provided funds are available in the unit's budget.
- 2.2 In determining a pay rate above the minimum of the pay grade, consideration should be given to the current rate of pay of employees who are in the same job title and/or pay grade to ensure that no internal inconsistencies among positions are created without a valid and legally defensible explanation. It is also prudent to examine the pay rates of employees who are in positions where a series of titles exist or in

positions where a logical progression is understood to ensure that a person in a position with a lower pay grade does not earn more than someone who holds a position in a higher pay grade, unless there is a valid and legally defensible reason.

- 2.3 Approval to hire a new employee must be requested in writing and approved by the Director or designee prior to making the offer if any of the following apply:
- A. salary is above the lower band of the pay grade in the Pay Plan (middle band of the pay grade for research titles\*), or
  - B. salary is more than 10% above the pay rate approved for new positions if excluded from the Pay Plan, or
  - C. salary is above the last budgeted amount for vacant positions excluded from the Pay Plan.

This situation may occur when the hiring unit wants to make an offer to a specific candidate with outstanding qualifications and experience. These requests for approval should be accompanied by the candidate's employment application and/or resume.

### 3.0 PAY INCREASES

- 3.1 It is the practice of AgriLife Extension to award salary increases through the regular budget cycle; however, some flexibility is needed to respond to exceptional circumstances. There are several ways in which salaries may be increased during the fiscal year outside the budget cycle. All requests for pay increases must be submitted in writing for approval through Human Resources to the Director or designee prior to any commitment to the individual or preparation of any budget or payroll documents. Director or designee approval is also required when an increase would cause an employee's salary to exceed the maximum of the established pay grade regardless of the magnitude of the change.

#### 3.2 Increase Types

- A. *Promotion/Reclassification Increases*—Increases that occur when an employee moves from their current position to a higher paid position, or increases that occur when job duties, responsibilities, and required qualifications of a position are reevaluated and the position is assigned a new title that warrants a higher rate of pay. Pay increases will usually be considered and granted prior to the beginning of the fiscal year in accordance with the budget guidelines approved by the Board of Regents. However, increases as a result of promotion or reclassification may be considered at the time of such action if the funds are available within the unit's budget.
  - 1. *Promotion/Reclassification to title in same pay grade:*

When an employee is promoted or reclassified to a title within the same pay grade, the new salary will not exceed 10% of the promoted/reclassified employee's current salary.
  - 2. *Promotion/Reclassification to title in a higher pay grade:*

Salary rates of promoted or reclassified employees will be at least the minimum amount of the pay grade to which the position is assigned. Increases above the minimum of the pay grade will not exceed the lower band of the pay grade (or middle band for research titles\*).
  - 3. *Promotion/Reclassification to title excluded from the Pay Plan:*

For positions excluded from the Pay Plan, the salary rate of promoted or reclassified employees will not exceed 10% of the promoted employee's current salary.
- B. *Mandated Increases*—Sometimes known as "across-the-board-increases" where uniform salary increases are granted in accordance with prescribed guidelines, usually established by legislative action, without regard to meritorious performance.

- C. *Merit Increases*—Increases granted to employees in recognition of meritorious performance with no change in title. There are two methods for granting a merit payment.
1. A merit salary increase is added to a budgeted employee's salary in recognition of superior performance that advances the purpose of AgriLife Extension. This salary increase is added to the employee's base salary.
  2. A one-time merit salary payment is a lump-sum payment that is granted in recognition of superior performance or achievement that advances the purpose of AgriLife Extension. This type of merit salary increase is not added to the employee's base salary.

In both instances, six months must have elapsed since the employee's last merit payment, and the merit salary increase will occur during the annual budget cycle, in accordance with budget guidelines. In cases of clearly exceptional job performance, merit salary increases may be granted outside the budget cycle, and strong evidence must be shown as to why the merit increase cannot be made during the annual budget cycle. Merit increases will be requested in writing for approval by the Director or designee prior to any commitment to the individual or preparation of any budget or payroll documents. The written justification will clearly state the reasons for the increase and source of funds. A current performance evaluation must be on file.

- D. *Equity Increases*—Increases granted to employees who perform similar duties and responsibilities, possess comparable qualifications, and have a comparable amount of time in their current position as other support staff in the same title.

As with merit increases, salary adjustments should be made during the regular budget cycle whenever possible. Any request for an out-of-cycle salary adjustment should be supported by strong evidence of need and a compelling reason as to why the adjustment cannot be accomplished during the next regular budget cycle.

- E. *Change in Pay Grade*—Increases that occur when market conditions dictate the adjustment of the pay grade for a particular title.
- F. *Other Out-of-Cycle Pay Increases*—including increases to retain key employees—must be submitted in writing, and supported by strong evidence of need and a compelling reason as to why the adjustment cannot be made during the next regular budget cycle. These requests will be considered on a case-by-case basis, and out-of-cycle pay increases cannot be made effective prior to the first day of the pay period in which the request received final approval.

## 4.0 TRANSFERS

### 4.1 Lateral Transfer

A lateral transfer is a transfer to another position within the same pay grade. If an employee transfers laterally to a position in the same unit, the rate of pay will not change. Exceptions may be requested by the unit head and approved by the Director or designee when duties of the vacant position are clearly more responsible or complex than the position the person is transferring from, even if the titles are the same. However, this should be the exception and not routinely requested. The fact that a vacant position is budgeted at a higher rate is not justification to give an employee a raise when a lateral transfer occurs.

### 4.2 Transfer to a Position with a Lower Pay Grade

If an employee transfers to a position in a lower pay grade, the new rate of pay will be within the lower band of the pay grade (middle band of the pay grade for research titles\*) to which the employee transferred. Upon approval by the Director or designee, a rate of pay above the lower band (middle band for research titles\*) of the pay grade but not greater than the employee's present rate of pay, may be approved.

\*Research titles included in the A&M System Pay Plan:

8544 *Research Assistant*  
8545 *Research Associate*  
8554 *Senior Research Associate*  
8556 *Research Specialist I*  
8551 *Research Specialist II*  
8552 *Research Specialist III*  
8557 *Research Specialist IV*  
8553 *Research Specialist V*  
5028 *Research Instrumentation Specialist*  
5040 *Senior Research Instrumentation Specialist*

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## **RELATED STATUTES, POLICIES, OR REQUIREMENTS**

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[A&M System Policy 31.01](#), *Compensation*

[A&M System Regulation 31.01.01](#), *Compensation Administration*

[A&M System Regulation 31.01.08](#), *Merit Salary Increases*

[AgriLife Extension Rule 31.01.08.X1](#), *Merit Salary Increases*

[AgriLife Extension Procedure 31.01.01.X1.03](#), *Faculty Salary Augmentation*

[AgriLife Extension Procedure 31.01.01.X1.04](#), *Supplemental Compensation and Dual Employment*

[AgriLife Extension Procedure 31.01.01.X1.05](#), *Salary Adjustments for International Assignments*

[AgriLife Extension Procedure 31.01.01.X1.06](#), *Non-Faculty Salary Augmentation*

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## **CONTACT OFFICE**

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Questions concerning this procedure should be directed to AgriLife Human Resources at 979-845-2423.

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## **REVISION HISTORY**

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*Approved: January 24, 2103*

*Reviewed: July 30, 2014*

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