

# SALARY GUIDELINES FOR NON-FACULTY EMPLOYEES AT FLORIDA INTERNATIONAL UNIVERSITY EFFECTIVE: SEPTEMBER 2022

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## COMPENSATION PAY PHILOSOPHY

Florida International University believes that employees are its most valuable resource and are partners in achieving the university's mission and goals. Compensation is a key factor in recruiting, retaining, motivating, and rewarding a talented and committed workforce. These salary guidelines emphasize continued development of knowledge, expansion of skills, performance, and the ability to be flexible and adaptable to change.

Florida International University's Compensation Administration department is one that supports the university's mission and values. Its function is to support, reinforce, and align our values, business strategy, operational and financial needs with our goals of growth and stability.

FIU's total compensation program (inclusive of base pay, incentives, rewards, and benefits) is designed to attract and recruit a talented and diverse workforce as well as reward and retain administrative and staff personnel for their outstanding contributions to the university. The program is grounded in the following **guiding principles**:

- **Mission Driven:** FIU's total compensation program aligns with its overall mission, strategies, and plans. Compensation policies and procedures will support the university's long-term direction.
- **Fair/Objective:** FIU's total compensation program recognizes the dignity of each person. Related policies and procedures will employ equity when recognizing the relative value of each function and reward individual performance.
- **Sustainable:** FIU designs and administers compensation in a manner that is financially responsible and sustainable to ensure FIU's goal of good stewardship over entrusted funds.
- **Competitive:** FIU's compensation policies and procedures are reviewed for competitiveness with institutions of similar size, scope and complexity within higher education and appropriate external markets.
- **Compliant:** FIU complies with all applicable laws including equal pay laws, equal employment opportunity laws, benefits regulations, and US Department of Labor legislation including, but not limited, to the Fair Labor Standards Act.

Adherence to this philosophy ensures that FIU administrative and staff personnel are appropriately compensated in alignment with our mission as a public research university. Ultimately, these principles are designed to recruit, retain, and reward a workforce that will guide our long-term goals.

The purpose of these salary guidelines is to establish a university decision-making process for providing salary adjustments to employees aside from university-wide administered salary increases.

For pay plans to be equitable and effective it is important to consider both internal and external equity. *Internally*, it is important to consider the salaries of similar jobs, as well as the individual's skills, knowledge, performance, and job-related experience. The *external* market consists of other organizations with whom we compete for employees with relative skills and experience.

Compensation Administration tracks the market value of jobs by participating in annual salary surveys and obtaining salary information on "industry standard" positions, referred to as benchmark jobs, i.e., those jobs that are typical in higher education and other industries that are easily matched to jobs at FIU. Salary data from these surveys indicate a salary range for jobs found in the relevant markets comparable to ours. The market value for certain jobs will vary and pay levels may increase at different rates depending on whether certain skill sets are increasingly in

demand or whether there is a shortage of individuals with specific expertise. Compensation Administration uses relevant market data to determine the effects of employees' pay at the time of review.

The provisions in these salary guidelines are to ensure that the same review process is use when adjusting salaries and approving salary actions. All actions described in the following guidelines are reviewed and approved through the established approval process with a detailed justification before they are communicated to the affected employee(s).

### SALARY REQUESTS - STANDARD

Type	Definition	Approvals Required
Pre-Hire	The hiring range for a position would fall within the pay ranges established for the position. To ensure that both external and internal equity is considered, a review with Compensation Administration is requested before a position is posted.	Hiring ranges should be established in consultation with Compensation Administration.
New Hire	<p>Starting salaries for new employees are determined by referring to internal salaries and/or external market data for position(s) being filled, the individual's job-related experience, knowledge and skills, current pay, and the salaries of other employees performing the same or similar job functions. In order to compare pay for employees in similar jobs, a manager must also analyze job-related characteristics for each employee, including:</p> <ul style="list-style-type: none"> <li>• Job content (employees doing similar work)</li> <li>• Years of experience</li> <li>• Qualifications, education</li> <li>• Job-related knowledge</li> <li>• Skills (required and "premium")</li> <li>• Technical expertise</li> <li>• Performance</li> <li>• Value of job in the labor market</li> </ul>	<p>Salary offers exceeding the posting range must be approved by</p> <ul style="list-style-type: none"> <li>• Business Unit Head</li> <li>• Compensation Administration</li> <li>• Talent Acquisition &amp; Management (TAM)</li> <li>• CFO or Provost and Executive Vice President of Academic Affairs (if applicable)</li> <li>• In addition, a justification must be submitted to TAM &amp; Compensation Administration for review.</li> </ul>
Promotion (Transfers)	<p>Promotions are the upward movement of an employee to a job in a higher pay grade and/or career level with greater responsibility. A promotional increase must bring the employee to, at least, the minimum of the new job code range. The amount of the increase is dependent upon the increased level of responsibility. Before determining the amount of promotional increase, the following factors are considered:</p> <ul style="list-style-type: none"> <li>• The employee's proficiency relative to job requirements.</li> <li>• Where the employee's current pay is in relation to the pay range.</li> <li>• How the employee's recommended pay compares to that of the supervisor or direct reports considering salary compression</li> <li>• The employee must be in good standing with the University.</li> <li>• The impact of the employee's position on departmental goals and on the university's mission and goals.</li> <li>• Funding availability.</li> </ul>	<p>Requests for promotional increases that exceeds the range of the new role requires consultation with Compensation Administration. A written justification or business case for the higher increase should be provided by the department.</p>

Type	Definition	Approvals Required
Demotion (Transfers via the Employment process)	Demotions are the downward movement of an employee to a job in a lower pay grade, lower career level or lower responsibility	Employees transferring to a different position in a lower pay grade and/or lower career level with decreased responsibility should have their salaries review by Compensation Administration.
Position Upgrade (Reclassification)	<p>The upward movement of a higher pay grade/higher career ladder based on an evaluation of the position due to significant changes in the assignment of duties and level of responsibility.</p> <p>The approved salary for an upgrade is dependent on the following factors:</p> <ul style="list-style-type: none"> <li>• Complexity of the role and department</li> <li>• Employee’s relevant experience/training</li> <li>• How critical the role is to the University’s and Business Unit’s metrics</li> </ul> <p>Compensation Administration will take into consideration the following:</p> <ul style="list-style-type: none"> <li>• Internal Salaries</li> <li>• Market Data</li> </ul> <p>Compensation will work closely with the Business Unit in identifying and addressing any salary inequity or compression issues.</p>	<p>Departmental requests for upgrade <u>requires</u> consultation with Compensation Administration. A written justification or business case for upgrade should be provided by the department. Compensation Administration will review and provide recommendation.</p> <p>Once the request has been approved, the Business Unit can proceed to communicate to the employee.</p>
Position Downgrade	<p>The downward movement to a lower pay grade/lower career ladder based on an evaluation of the position due to significant changes in the assignment involving removal or reduction of duties and level of responsibility.</p> <p>Compensation will take into consideration the following when determining the salary:</p> <ul style="list-style-type: none"> <li>• Employee’s experience/training</li> <li>• Organizational structure</li> <li>• Employee’s performance</li> <li>• Internal Salaries</li> <li>• Market Data (optional)</li> </ul> <p>Compensation will work closely with the Business Unit in identifying and addressing any salary inequity or compression issues.</p>	<p>The position downgrade will be reviewed by Compensation Administration and Employee &amp; Labor Relations (ELR).</p> <p>Once the request has been approved, the Business Unit can proceed to communicate to the employee.</p>
Lateral Move	<p>The movement of a position to another classification within the same pay grade/career ladder as their current role.</p> <p>Lateral movement is beneficial to the university in developing and utilizing employee talent as well as cross-train employees. Lateral transfers may continue to add value to the university,</p>	<p>All requests must be reviewed and approved by Compensation Administration.</p> <p>Once the request has been approved, the Business Unit can proceed to communicate to the employee.</p>

Type	Definition	Approvals Required
	<p>to the individuals who broaden their base of knowledge, and enhance professional growth potential</p> <p>Compensation will take into consideration the following when determining if there is a change in salary:</p> <ul style="list-style-type: none"> <li>• Internal salaries</li> <li>• Market Data</li> </ul> <p>Examples of lateral transfers that <u>may</u> warrant a salary increase:</p> <ul style="list-style-type: none"> <li>• New job requires use of significantly new set of content knowledge or skills.</li> <li>• Employee’s previous experience adds much to the new role.</li> <li>• Combined skill set is of greater value than the single skill set.</li> <li>• Employee will be expected to work with more internal/external constituents at a higher level.</li> <li>• Level of communication (written and oral) is higher.</li> <li>• New job requires a higher level of analysis, innovative/creative thinking, and ability to adapt.</li> <li>• The impact of decisions and level of consequences is greater.</li> <li>• Increased level of independent action and autonomy.</li> </ul> <ul style="list-style-type: none"> <li>○ <i>Lateral Career Progression</i> – When it is determined that the position the employee is transferring to requires new and/or additional skills and is more complex than the position the employee is transferring from, an increase may be appropriate.</li> </ul> <p>Compensation will work closely with the Business Unit in identifying and addressing any salary inequity or compression issues.</p>	

**SALARY REQUESTS - SPECIAL**

Type	Definition	Approvals Required
Administrative Increment	<p>A temporary increase that is given to an employee during the period that it may be necessary for an employee to temporarily perform higher level responsibilities for a period of time. Administrative increments may be approved up to one year in duration, after which a new recommendation should be submitted.</p> <p>Compensation will review the proposed request and provide recommendation depending on the complexity of the role.</p> <p>The employee must not start performing the work until the request has been fully approved.</p>	<p>All requests must be reviewed and approved by Compensation Administration.</p> <p>If there is a change in FLSA designation or union code, Compensation will work closely with Employee and Labor Relations (ELR).</p> <p>Once the request has been approved, the Business Unit can proceed to communicate to the employee.</p>
Living Wage Adjustment	<p>On annual basis, the U.S. Department of Health and Human Services (HHS) updates its poverty guidelines to account for last calendar year's increase prices as measured by the Consumer Price Index (CPI).</p> <p>As a result, the University adjusts the salaries of administrative and staff employees earning less than the living wage salary based on a family/household of 4.</p>	<p>Compensation Administration approves the Living Wage and adjusts the pay grade minimum.</p>
Additional Duties	<p>An increase based on the nature of regularly assigned duties resulting in a higher level of job complexity to an employee's position, without a change in job code title, pay grade, and career level</p> <p>Compensation will take into consideration the following when determining a proper salary increase based on Added Duties:</p> <ul style="list-style-type: none"> <li>• Internal Salaries</li> <li>• Scope of the new function</li> <li>• Market Data (if applicable)</li> </ul>	<p>All requests must be reviewed and approved by Compensation Administration.</p> <p>Once the request has been approved, the Business Unit can proceed to communicate to the employee.</p>
Performance Based Adjustments	<p>To recognize an employee that has sustained exceptional performance for the fiscal year. The employee must have earned an overall performance rating of</p> <ul style="list-style-type: none"> <li>• 5 – Far Exceeds Expectations or</li> <li>• 4 – Consistently Exceeds Expectations</li> </ul> <p>The Business Unit must provide a business case/justification detailing the employee's overall performance during the fiscal year. The justification must include examples of the employee's performance and accomplishments.</p> <p>Compensation will take into consideration the following when determining a proper salary increase:</p> <ul style="list-style-type: none"> <li>• Internal Salaries</li> <li>• Justification</li> </ul> <p>Compensation will work closely with the Business Unit in identifying and addressing any salary inequity or compression issues.</p>	<p>All requests must be reviewed and approved by Compensation Administration.</p> <p>Once the request has been approved, the Business Unit can proceed to communicate to the employee.</p>

Type	Definition	Approvals Required
Equity Adjustments	<p>To correct an internal inequity and establish equal pay for jobs of equal value; where positions in the same job code have substantially the same duties and require equal skills/effort but have substantially different rates of pay.</p> <p>Compensation Administration will conduct a review of internal salaries, market data (e.g., salary surveys and recent new hire salaries) to determine whether there are market forces that have helped to create an inequity.</p> <ul style="list-style-type: none"> <li>• In order to compare pay for employees in similar jobs, the following job-related characteristics for each employee must be analyzed: <ul style="list-style-type: none"> <li>○ Job Content (to ensure that employees are, in fact, doing similar work)</li> <li>○ Years of Experience (at FIU or externally)</li> <li>○ Job-Related Knowledge</li> <li>○ Skills (required and “premium”)</li> <li>○ Technical Expertise</li> <li>○ Overall performance rating</li> </ul> </li> <li>• Findings will be reviewed with the department and Business Unit head. Compensation Administration will recommend an appropriate salary adjustment to the affected employee(s)’ pay rate.</li> </ul>	<p>All requests must be approved by Compensation Administration.</p> <p>Once the request has been approved, the Business Unit can proceed to communicate to the employee.</p>
Market Adjustments	<p>To react to shifts in the competitive labor market for a specific position or category of positions that are affected by an inequity (i.e., hiring salary rate, retention)</p> <ul style="list-style-type: none"> <li>• Compensation Administration will research, collect relevant market data for comparable external positions to ensure proper alignment of FIU positions with the external market with consideration to total compensation/total rewards.</li> <li>• Compensation Administration will review the market data (e.g., salary surveys and recent new hire salaries) to determine whether there are any market forces that have helped to create an inequity. A position is equal to external market rate if it is being compensated within 50<sup>th</sup> percentile of comparable external market rate.</li> <li>• When an entire group of employees in the same or similar job is reviewed, it will be determined which individuals need adjusting in relation to either their peers or the market. In addition, roles with comparable duties within the same Business Unit or department will be reviewed.</li> <li>• Once it has been determined that there may be a possible pay inequity, findings will be reviewed with the department, the Business Unit head and, if appropriate, the CFO and/or Provost and Executive Vice President of Academic Affairs.</li> </ul>	<p>All requests must be approved by Compensation Administration.</p> <p>Once the request has been approved, the Business Unit can proceed to communicate to the employee.</p>

Type	Definition	Approvals Required
	<ul style="list-style-type: none"> <li>• Compensation Administration will review the individual's time in the role to make a recommendation regarding an appropriate pay adjustment to the <i>individual</i> employee's pay rate. Adjustments to the <i>individual</i> employee's pay rate will be determined in consultation with the department, the Business Unit head and, if appropriate, the CFO and/or Provost and Executive Vice President of Provost and Executive Vice President of Academic Affairs.</li> <li>• Compensation will work closely with the Business Unit in identifying and addressing any salary inequity or compression issues.</li> </ul>	
Retention Adjustment	<p>Retention adjustments may be recommended in situations where a key employee has a unique skill set or ability, whose contribution is critical to the success of the Business Unit, college or department. The position would typically be difficult to replace, as it requires special skills or institutional knowledge.</p> <p>Retention adjustments are typically limited to key contributors at the university and those employees should have an overall performance rating of "4" or above.</p> <p>Compensation will take into consideration the following when determining a retention adjustment:</p> <ul style="list-style-type: none"> <li>• Internal salaries</li> <li>• Market Data</li> <li>• Employee's relevant experience/training &amp; performance</li> </ul> <p>Compensation will work closely with the Business Unit in identifying and addressing any salary inequity or compression issues.</p>	<p>All requests must be reviewed and approved by Compensation Administration.</p> <p>Once the request has been approved, the Business Unit can proceed to communicate to the employee.</p>
Counter Offer	<p>In cases where the employee has received a <u>documented</u> offer of higher salary for employment with another organization, the department may counter offer as follows:</p> <ul style="list-style-type: none"> <li>• Match the salary offer.</li> <li>• Increase salary by less than the salary offer.</li> </ul> <p>The Business Unit must provide a justification that includes the following:</p> <ul style="list-style-type: none"> <li>• Employee's relevant experience and performance</li> <li>• How critical the role is to the Business Unit and the University</li> <li>• If the role is difficult to recruit as it requires highly specialized skills/training/experience</li> </ul> <p>Compensation will take into consideration the following when reviewing Counter Offer:</p> <ul style="list-style-type: none"> <li>• Justification provided by the Business Unit</li> <li>• Review internal salaries</li> <li>• Review Market Data</li> </ul>	<p>All requests must be reviewed and approved by Compensation Administration.</p> <p>Once the request has been approved, the Business Unit can proceed to communicate to the employee.</p>

Type	Definition	Approvals Required
	<ul style="list-style-type: none"> <li>• Discussion of role with Talent Acquisition Management (if applicable)</li> <li>• Organization structure</li> </ul> <p>Compensation will work closely with the Business Unit in identifying and addressing any salary inequity or compression issues.</p>	