

**REGENTS' POLICY**  
**PART IV – HUMAN RESOURCES**  
**Chapter 04.05 - Salary Administration**

**P04.05.010. Compensation Policy and Responsibilities.**

- A. Compensation is the total of salary plus all programs and benefits with monetary value, including health and other insurance, contributions to retirement and pension programs, holiday and leave provisions, educational opportunities, bonuses, and other employer costs that benefit employees. Information regarding total compensation will be communicated to staff on a regular basis.
- B. The university's total compensation package will facilitate staff recruitment and retention. University administration will analyze current practice effectiveness, and revise practices to sustain a viable workforce.
- C. Compensation for bargaining unit members is established by collective bargaining agreements. This chapter applies to those employees not covered by a collective bargaining agreement.

(07-31-01)

**P04.05.020. Employment Definitions.**

Employment with the university will be designated by status and pay type as established by university regulation.

(06-08-01)

**P04.05.030. Job Evaluation Process.**

Compensation will be under a classification system to be established by university regulation. Criteria for the establishment, maintenance and implementation of a classification system and methods for evaluating jobs for purposes of classification will be established by university regulation. The process for appealing an assigned job classification will be established by university regulation and will not be subject to grievance under P04.08 and R04.08. Compensation will be determined based upon the established classification for the job.

(06-08-01)

**P04.05.040. Salary Structures.**

Salary structures for designated employee categories will be established and set forth in university regulation. The board must approve salary structures and any cost of living or other adjustments to the structures, except as provided in P04.05.041 - 04.05.044. Methods for placement and movement will be established in university regulation.

(12-09-04)

**P04.05.041. Officers of the University and Senior Administrators.**

The salary structure for positions in this category will be based on appropriate market referents established by the president. The president will designate those positions to be placed in this category.

(06-08-01)

**P04.05.042. Faculty.**

Faculty will be compensated in accordance with university regulation.

(06-08-01)

**P04.05.043. Regular Exempt and Nonexempt Staff.**

- A. Regular exempt and nonexempt staff will be compensated in accordance with university regulation.
- B. Annual cost of living adjustments will be provided in accordance with university regulation.
- C. All recipients of annual in-grade salary increments will have at least a satisfactory or higher performance evaluation.

(12-09-04)

**P04.05.044. Casual Labor, Temporary Exempt and Nonexempt Staff, and Student Employees.**

Casual labor, temporary exempt and nonexempt staff, and student employees will be compensated in accordance with university regulation.

(06-08-01)

**P04.05.050. Performance Bonus.**

The president or the president's designee, may establish, from available resources, funds to be distributed as bonuses to meritorious employees in extraordinary circumstances, including those employees whose current pay is beyond the end of the salary schedule. Distribution of bonuses will be made in accordance with procedures established by the president or the president's designee.

(06-20-97)

**P04.05.060. Geographic Salary Differentials.**

Geographic salary differentials compensate employees for differences within Alaska for factors including cost-of-living. Geographic differentials may be established by university regulation and be based on the most recent State of Alaska geographic differential study.

(06-08-01)

**P04.05.070. Shift Differentials.**

Any provisions for shift differentials will be established by university regulation.

(06-08-01)

**P04.05.080. Responsibility for Plan Documentation.**

The statewide office of human resources established under P04.01.010 will be responsible for maintaining all master plan and summary plan documents relating to the compensation and benefit programs operated by the university. The documents retained by the office will govern in all disputes.

(06-08-01)

**UNIVERSITY REGULATION**  
**PART IV - HUMAN RESOURCES**  
**Chapter 04.05 – Salary Administration**

**R04.05.010. Compensation Policy and Responsibilities.**

Prior to implementing new programs or modifying existing programs the university administration will consult with the appropriate governance groups.

(08-17-01)

**R04.05.020. Employment Definitions.**

**A. Pay Status**

Employment status will be designated according to the following definitions:

**1. Active Employee**

Status in which a person is actively employed by the university, either on a regular or temporary basis. An employee who is between the end of one contract period and the beginning of the next contract period (e.g., less than 12 month employees) will be considered an active employee for the purposes of employee benefit eligibility.

**2. Leave of Absence**

Status in which an employee is on approved leave for a specified purpose and period of time, during which the employee receives no compensation, and accrues and receives no university paid benefits, unless mandated by state or federal law.

**3. Sabbatical or Special Assignment**

Status in which an employee is on an approved leave for a specified period of time for professional development during which the employee receives compensation in part or in total from the university.

**4. Termination**

Status under which an employee's employment relationship is severed with the university or as defined by university benefit plans.

**B. Pay Type**

1. Collective Bargaining Unit members will have pay type as established by collective bargaining.

2. University officers and senior administrators will have pay type and pay grades established by the president of the university.
3. Exempt (administrative/professional/technical or APT) personnel will have pay type and pay grades established by the job classification system.
4. Nonexempt (classified) personnel will have pay type and pay grades established by the job classification system.
5. Student employees will have pay type and pay grades established by special conditions for student employment.
6. Agricultural Workers will have pay type and pay grades established by job evaluation, with special conditions as prescribed by the Fair Labor Standards Act and the Alaska Wage and Hour Laws covering agricultural employees.
7. Temporary Faculty (adjunct) will have pay type established by the chancellor.

#### C. Employment Categories and Benefits

##### 1. Regular Employee

To be considered a regular employee, an individual must be in active, sabbatical, special assignment, leave of absence or leave without pay status, and have a continuing appointment or term-funded appointment.

To be considered benefit-eligible, a regular employee must be in active pay status and must work 50 percent or more of full-time.

##### 2. Academic Employee

An academic employee must work 50 percent of full-time or more in a budgeted teaching, librarian, counselor, research, museum, or similar position in order to be benefit-eligible.

##### 3. Temporary Employee

Temporary employees, including casual labor, adjunct faculty, seasonal employees, and employees who do not work in budgeted positions and who do not meet the criteria for regular or extended temporary employment, are ineligible for university benefits except as otherwise required by law or collective bargaining agreement.

##### 4. Extended Temporary Employee

Extended temporary employees hired with the reasonable expectation of 30 or more hours of service per week are eligible for health benefits at the time of hire, subject to the usual waiting period. Extended temporary employees are eligible for paid sick leave only.

D. Full-time or Part-time Status

1. Full-time employment may be either regular or temporary as described above and must meet the following criteria:
  - a. Exempt (nonacademic) or nonexempt employees have an appointment stipulating an anticipated work week of 40 or more hours on a continuing basis for the entire contract period.
  - b. Exempt academic employees work in a teaching, research, service, librarian, museum, or similar position delivering a combination of public service, research and/or instructional activity. Detailed definitions are contained in Regents' Policy 04.04.
2. Employees who do not meet the criteria for full-time as described above will be considered part-time employees. Part-time employment may be either regular or temporary.
  - a. Exempt (nonacademic) and nonexempt regular part-time employees, work at least 20 hours per week on a regular basis during an employment contract period of at least nine months and work in budgeted or term-funded positions.
  - b. Exempt academic regular part-time employees, deliver no less than 7.5 credit hours per semester in a combination of research, public service and/or instructional activity.
  - c. All part-time employment not covered by 2.a or 2.b will be considered to be casual, temporary or extended employment.

E. Fair Labor Standards Act Criteria

1. Nonexempt Employment
  - a. Employees in nonexempt categories will be compensated on an hourly basis, rather than salary, and will be eligible for overtime pay for hours worked in excess of 40 per work week, as approved in advance by the employee's immediate supervisor, unless otherwise excepted by the Fair Labor Standards Act. Hours worked excludes all leave and holiday hours.
  - b. Nonexempt employees will not be eligible for compensatory time-off in lieu of overtime pay. This regulation does not prohibit the arrangement of flexible working schedules for employees which do not exceed 40 hours in any work week.
  - c. Nonexempt employees are required to submit timesheets for all hours.

## 2. Exempt Employment

- a. Employees in exempt categories will be compensated by salary, rather than hourly rates of pay, and will not be eligible for overtime pay.
- b. An exempt employee's appointment letter may provide for salary augmentation for additional and separate work assignments which exceed the normal scope of the position. Any such supplemental compensation shall be determined and approved by the statewide chief human resources officer. Salary augmentation for faculty shall be determined in accordance with University Regulation 04.05.042.D.
- c. Exempt employees are not required by federal or state law to submit timesheets for pay purposes; however, they may be required to do so by the supervisor or department head and must always submit timesheets when using leave hours during the pay period in question.

Exempt temporary employees with an appointment of less than .75 FTE (full-time equivalent) must submit timesheets for each pay period.

(08-30-17)

### **R04.05.035. Job Classification System**

#### A. General

The job classification system groups work into job families. Levels within the job family reflect the nature and complexity of the work. The job families are evaluated, using the Hay Evaluation System, to link each level with a salary grade. Individual positions are allocated to the appropriate family and level based on the family concept and level descriptions.

#### B. Development/Modification of Job Families

1. The Statewide Office of Human Resources will establish a process for developing and modifying job families. The process shall include participation by HR professionals, clients and subject matter experts.
2. New or revised job families must be approved by the chief human resources officer.

#### C. Implementation

##### 1. Timing

- a. Initial implementation for job families will be scheduled following completion, at a time convenient to and concurrent with the payroll cycle.

- b. For jobs converted to the job classification system after an initial job family implementation, the effective date will be the first day of the next full pay period.

2. Salary Impact

- a. If the grade remains the same, salary will be unchanged.
- b. If the new grade is lower, the current incumbent will be grand-parented into their current grade. When the incumbent leaves the position, the appropriate job family level and grade will be used to refill the job.
- c. If the new grade is higher, employees will move to the step in the higher grade that is equal to current pay. If there is no equal step, the employee moves to the next closest higher step.

D. Position Allocation

1. Position Description (PD) Form

The supervisor will use the PD Form to describe the primary duties and responsibilities of the position. The PD Form must be reviewed and signed by the supervisor and an executive class position or designee to verify content, accuracy and completeness of the information. If the job being described has an incumbent, s/he also will review the completed form.

2. New Positions

The regional human resources office will allocate the position based on the PD Form prior to initiating recruitment.

3. Reclassification

The regional human resources office will allocate the position based on the PD Form provided by the supervisor.

4. Refilling Vacancies

a. Change in Job Family/Series

The regional human resources office approves job family/series changes based on the revised PD Form.

b. Change to Level within a Family/Series

Level changes must be documented on the PD Form and submitted to human resources. When recruiting to fill a vacancy, the regional human resources office classifies the position based on the position description, in



consultation with the supervisor. Changes are subject to budgetary approval consistent with the practices of the specific university.

E. Allocation/Reclassification Process - Human Resource Office Responsibilities

1. Regional Human Resource Office

- a. Assigns staff to review and allocate positions.
- b. Notifies supervisor of allocation results and appeal option. For occupied positions, changes are effective the first day of the next full pay period following receipt of the PD Form by the HR Office.
- c. Maintains a record of classification results.

2. Statewide Office of Human Resources

- a. Maintains a record of job family allocations for all university staff positions.
- b. Maintains the official job family classification descriptions.
- c. Facilitates the systemwide appeal process.
- d. Conducts periodic audits of classification practice to ensure consistent alignment of classifications across the system. Systemwide classification audits may be initiated by statewide human resources and/or may be requested by employees, management, or a regional human resources office.

F. Appeal Process

Staff and/or management may appeal the allocation of a position to the job family and/or level. Appeals must be in writing and received by Statewide Office of Human Resources within 30 calendar days of the effective date of the action appealed, or the notice letter, whichever is later.

The appeal should state the allocation change sought and may include additional information or documentation to support the appeal.

The appeal panel is appointed by the Statewide Office of Human Resources and consists of three members with one representative each from human resources, management and staff. At least one member of the panel shall be a subject matter expert. The panel will review job family and level placement and may request additional information or documentation. The determination of the appeal panel is the final exclusive remedy and is not subject to grievance under Regents' Policy and University Regulation 04.08.

The appeal panel will meet as needed to review appeals. Participants/presenters may include the employee, the employee's supervisor, the human resources office representative and an appropriate representative of the employee.

The Statewide Office of Human Resources will:

1. Facilitate the appeal process and provide classification expertise and staff support to the appeal panel.
2. Schedule the panel review, including an opportunity for the appellant and other participants to meet with the panel.
3. Provide written notice of the outcome to the appellant and regional human resources office.

If an appeal results in a job family/level change, the action is effective retroactive to the first day of the next full pay period following the initial submission of the PD Form to the regional human resources office. When the appeal is from the implementation of a job family, any changes are retroactive to the effective date of the implementation.

#### G. Career Development Plan

1. A Career Development Plan (CDP) provides an avenue for advancement through a job family based on successful completion of established criteria and objectives.
2. The plan should identify the job family, levels and positions covered, objectives, milestones and criteria to be met (e.g. training, skill level, duties/functions to be assumed, time-in-grade), and overall timeframe.
3. CDP's may be established at the department, division, regional or systemwide level.
4. CDP's must be approved in advance by the chief human resources officer or designee, based on the recommendations of the appropriate chancellor and regional human resources office. Implementation of a CDP is subject to availability of funding.
5. Upon successful completion of the CDP milestones and criteria, an employee may be advanced non-competitively to the next level of the job family, subject to availability of funding and the review and approval of the regional human resources office.
6. Salary placement will be at the minimum of the new grade or at the step which provides a 5 percent increase, whichever is greater. No increase will exceed the last step of the new grade.

(02-07-16)

#### **R04.05.040. Salary Structures.**

Salary schedules are established for all positions in the university. Each schedule is guided by regulation covering salary placement on initial appointment and salary movements.

(08-18-95)

#### **R04.05.041. Officers of the University and Senior Administrators**

The president will designate those positions to be placed in the officers of the university and senior administrators categories. Appointments to these positions will not be for greater than one year's duration unless specifically authorized by the president.

The Statewide Office of Human Resources, in coordination with each campus, will prepare an annual report of initial hire placement, current salary and salary increases, for all employees paid on the officer and senior administrator schedules. The president will be responsible for monitoring and ensuring consistent application of placement and movement rules. Periodically, the Board of Regents will be provided this information.

##### **A. Placement**

1. The title of the appointment and the base year salary will be recommended by the chancellor and approved by the president. The president will determine the base salary for officers and senior administrators.

Appointment and salary will be based on the duties and responsibilities of the position, the employee's education and experience, internal alignment, and prevailing market conditions as indicated by annual surveys of salaries appropriate to the position.

2. The president's salary will be established by the Board of Regents.

##### **B. Transfer or Return to Previous Position**

Officers and senior administrators who are transferred to another position by the president will be paid at their current pay rate for a period of three months from the date of the notice of transfer.

Following the notification period, officers and senior administrators who transfer to a staff or faculty position will be paid in accordance with applicable placement policy and regulation.

Officers and senior administrators who return to their previous position will be paid a rate determined by reversing the methodology used to calculate the pay increase received when they were originally placed in the officer or senior administrator category. Such employees will also have their salary adjusted to correlate with any reduction in hours or length of their yearly contract.

C. Salary Movement

Salary increases or bonuses may be used for promotion, retention offers, internal equity and market adjustments, or extraordinary performance.

All salary increases and bonuses require the approval of the president.

(03-13-15)

**R04.05.042. Faculty.**

A. Placement

The initial rank, type of appointment, and base academic year salary will be established by the appropriate chancellor. Rank, appointment, and salary will be based on the needs of the institution, the faculty member's education and experience, and prevailing market conditions as indicated by annual surveys of faculty salaries from sources appropriate to the hiring department or program which will include, but not be limited to, the American Association of University Professors (AAUP), Oklahoma State University (OSU), and the College and University Personnel Association (CUPA).

Initial appointments at salaries above the maximum of the salary range of a faculty rank require the approval of the chancellor and notification to the president.

Minimum salaries for non-represented professor, associate professor, assistant professor, instructor, and lecturer will be reviewed annually. The president will be responsible for monitoring and ensuring consistent application of regular non-represented faculty compensation. Minimum salaries for represented faculty are established by respective collective bargaining agreements. Changes will be approved by the Board of Regents.

B. Movement

Increases in the base academic year salaries of faculty occur in the following ways:

1. Discretionary Salary Increases

Each year the chancellors will set aside and distribute a fund for discretionary salary increases which will, at a minimum, equal 1 percent of the approximate cumulative value of regular faculty salaries from the previous fiscal year.

Salary increases from this fund will be used for promotion, retention offers, equity salary adjustments, and extraordinary performance far beyond the expectations required for an annual salary increase.

Procedures for the determination of discretionary salary increases must involve appropriate faculty review and consultation. These raises will be decided by the chancellor.

Promotion in rank may be accompanied by up to a 10 percent increase in current base salary including all salary increases awarded at the time of promotion.

## 2. Annual Salary Increases

An amount equal to 1.6 percent of the cumulative value of the salaries of eligible regular base academic year faculty will be distributed to faculty in amounts of at least 2 percent, but not to exceed 10 percent, of their previous base academic year salary as annual salary increases.

The chancellor may distribute different amounts to each school or college based on priorities and unit productivity.

Faculty selected for these annual salary increases will be chosen on the basis of their objective performance for the university as evidenced by such indicators as the number of credit hours taught, student evaluations of teaching, publication, research, grants and contracts, and service.

Procedures for the determination of performance-related salary increases must involve faculty review and consultation. These increases will be based upon faculty recommendations reviewed by deans and directors and approved by the chancellor.

At the Board of Regent's discretion, based on recommendation from the president, annual fiscal year increases may be suspended.

## C. Salary Range Movement

Periodically, but no less than every five years, an analysis of the university's faculty compensation program will be conducted. If it is found that faculty compensation is overall, or by discipline, leading or lagging the market relative to prevailing market conditions as indicated by surveys of faculty salaries from sources appropriate to the hiring department or program which will include, but not be limited to, the AAUP, OSU, and CUPA, competitive levels will be achieved through range adjustments.

## D. Base Academic Year Salary Augmentation

Base academic year salary can be augmented through an administrative appointment, an overload (additional assignment) during the academic year or through a summer appointment or contract extension. Unusually heavy or additional research and/or teaching responsibility during the academic year appointment will not result in extra compensation. However, these circumstances may be offset by adjusted workload agreements in the current or subsequent semesters.

Extra compensation at an appropriate rate as determined and approved by the chancellor or designee, may be provided under the following circumstances:

1. Summer Appointment: Summer appointments may be made for summer session instruction or other activities.
  - a. Summer Session Instructional Assignments: Summer session instructional programs are intended to be provided on a self-support basis. Salary

provided to regular faculty with an academic year appointment for summer session instruction may range from a minimum rate set by the temporary faculty salary structure to a maximum rate set proportional to a faculty member's base academic year salary, depending on the needs of the summer session program.

- b. **Other Summer Assignments (Contract Extensions):** Faculty holding an academic year appointment and employed in the summer for other than instructional purposes may receive up to one-ninth (1/9) of the academic base salary for each month of full-time service outside the academic year. In some cases, if the granting agency approves and the faculty member takes no time off, an equivalent to 3 months of the base academic year salary may be paid. In no case will payments exceed one-third of the base academic year salary.
2. **Overload Appointment:** Overloads are additional and separate work assignments during the base academic year appointment. Faculty who accept overload assignments will continue to be held fully accountable for base academic year responsibilities. Overloads may be granted as follows:
    - a. **Instructional Overload Assignments:** Consist of additional instructional assignments in programs external to the base academic year appointment. Such instruction will constitute an assignment above that of a full-time academic year assignment and there will be no opportunity in subsequent semesters for an adjustment in the faculty member's academic year appointment.
    - b. **Other Overload Assignments:** Consist of non-instructional activities or services required for short periods of time within an academic year. The additional workload is granted when no feasible alternative means can be found for absorbing the work into a regular full-time assignment.

(02-07-16)

#### E. Temporary Faculty (Adjunct)

##### 1. Placement

The pay level for temporary faculty credit hour instruction will be based upon the temporary faculty salary structure maintained by the Statewide Office of Human Resources. Temporary faculty salary structure pay levels will be based upon the number of semesters previously taught at the University of Alaska and credit hours per course.

Temporary noncredit hour instruction salary will be negotiated based on the needs of the institution, the faculty member's education and experience, and prevailing market conditions or assigned through an appropriate salary schedule or formula approved by the chancellor.

2. Movement

Credit hour instruction salary will be increased as defined by the pay levels of the temporary faculty salary schedule. Periodically, but no less than every six years, an analysis of the university's temporary faculty compensation program will be conducted. Temporary noncredit hour instruction salary movement, if any, is determined by placement as defined by the appropriate chancellor.

(06-20-97)

**R04.05.043. Regular Exempt and Nonexempt Staff.**

Placement and movement for exempt and nonexempt staff will be on the staff salary schedule as maintained by the Statewide Office of Human Resources. Salary schedules for non-represented employees will be established following consultation with the appropriate governance groups.

A. Placement

1. New hires will normally be placed on the first step of the assigned salary grade (also see R04.05.043.B.5.c.). Hires resulting from an advertised competitive recruitment may be placed above the first step through Exception Placement.
2. Exception Placement is salary placement of a new employee above the first step of the grade based on criteria which may include: exceptional qualifications of the selected candidate; lack of other qualified candidates; equity and alignment with placements of similar staff within the unit. Approval is required as follows:
  - a. Grades 71-79 (full range) and Grades 80-84 (up to the midpoint-through Step 28): Requires prior approval by the president or appropriate chancellor based on recommendations from the MAU human resources office. The chancellor or president may, in writing, delegate this approval as appropriate.
  - b. Grades 80-84 above the midpoint (above Step 28): Requires the prior approval of the president based on the recommendation of the Statewide Office of Human Resources.

B. Changes to Step Placement

1. In-grade Salary Adjustments

An increase within a grade is an exceptional occurrence and may be granted to address factors which may include internal equity/alignment, sustained outstanding performance, professional or career growth within a position, or retention. Such increases are within the sole discretion of the University and require prior approval as follows:

- a. Up to five percent (five steps) in any 12 month period: Requires approval by the MAU human resources director or the chief human resources officer.

- b. Exceptions require approval by the chief human resources officer, based on the recommendations of the appropriate chancellor and MAU human resources office.

In-grade adjustment requests require written justification, including documentation of exceptional performance.

## 2. Lateral Transfer (competitive/noncompetitive)

- a. Lateral transfer is defined as a reassignment of an employee from one position to another within the same salary grade with no break in service, through competitive recruitment or direct appointment.
- b. An employee who transfers laterally will retain the same salary step except for a change in geographic differential, if applicable.
- c. Transfer hires resulting from a competitive recruitment and currently placed below Step 14 may receive advanced step placement up to Step 14 based on criteria which may include: exceptional qualifications of the selected candidate; lack of other qualified candidates; equity and alignment with similar positions within the unit. Such exceptions require prior approval by the president or appropriate chancellor based on recommendations from the MAU human resources office.

## 3. Appointment to an Acting Position

In the event a qualified employee is temporarily appointed to a higher level position in an acting capacity, for more than 30 calendar days, the employee will be advanced to the minimum of the grade established for the position or to the closest step within the grade that does not exceed a ten percent increase, whichever is greater. Exceptions to this provision must be approved by the Chief Human Resources Officer.

The pay increase remains in effect until the end of the acting assignment. No increase will exceed the last step of the grade.

An acting appointment is given to an individual who is temporarily not performing the majority of his/her previous duties in order to accomplish the tasks of a higher level position. For those instances where the majority of the tasks of his/her current position are still being accomplished and only additional responsibilities from the higher level position are being assigned, an out-of-class amount is more appropriate.

Proper documentation is required by the department and must be approved by the MAU human resources office prior to initiating the action. Acting assignments will be for a maximum of one year, and can only be extended upon request, review and reauthorization.



An employee who is returning to his/her former position will have his/her salary placed at the former salary for that position; all applicable salary increases will be applied.

4. Out-of-Class Pay

Out-of-class pay is appropriate when an employee is officially assigned additional nonacademic duties on a temporary basis for at least 30 calendar days. Out-of-class pay may be given for additional duties that are technically advanced; require substantially more discretion, authority or accountability; or otherwise require the employee to utilize clearly higher level skills and abilities not required in his/her current job.

The percentage of base pay amount increase available is between 3 percent and 10 percent, allocated in one percent increments,. All out-of-class adjustments must be documented in writing. The percentage amount must be reviewed and re-approved every 90 calendar days by the MAU human resources office. If an extension is requested following the initial 90 days, it must include a written plan and timeline for concluding the temporary assignment, such as initiating a recruitment or completion of an organizational or position restructure.

5. Promotion

- a. A promotion for exempt and nonexempt staff is the movement from a position in one grade to a position in a higher grade.
- b. A promotion for exempt and nonexempt staff whose current salary exceeds the last step of the new grade will not result in a salary increase or decrease. A promotion for exempt and nonexempt staff whose current salary does not exceed the last step of the new grade will result in a salary increase. A promotional hire will receive a ten percent increase (ten steps) or will be placed at the beginning of the new grade, whichever increase is greater.
- c. Promotional hires resulting from a competitive recruitment may receive exceptional placement in accordance with the criteria and approvals described in Regulation 04.05.043.A.2.
- d. No increase will exceed the last step of the new grade.

6. Reclassification

Job reclassification which results in a change of salary grade will be administered as follows:

For Upgrades:

- a. A reclassification for exempt or nonexempt staff whose current salary

does not exceed the last step of the new grade will result in a salary increase. Reclassified staff receive a five percent increase (5 steps) or placement at the beginning of the new grade, whichever increase is greater.

- b. A greater than five percent increase may be granted to address exceptional circumstances such as internal equity/ alignment, exceptional qualifications, or external recruiting issues. Such increases are subject to the availability of funding and require prior approval of the president or designee, based on the recommendations of the appropriate chancellor and the Statewide Office of Human Resources.
- c. No increase will exceed the last step of the new grade.

For Downgrades: A downgrade will not result in a salary increase.

- a. The employee will be moved down to the closest step of the new grade that is less than or equal to the current salary.
- b. If the current salary is beyond the grade maximum, the employee will be moved to the top step of the new grade.

## 7. Demotion

- a. A demotion for exempt and nonexempt staff is the movement from a position in one grade to a position in a lower grade.
- b. A voluntary demotion is one that is agreed to by both the employee and the receiving department. Factors to be considered in determining placement in the lower range include qualifications, internal equity/alignment, and recruitment/retention issues.

An employee may not receive an increase on voluntary demotion, except where the current salary falls between steps in the lower grade; in this case it may be adjusted upward to the next closest step.

If the employee's salary exceeds the top step of the new range, the salary may be frozen at their existing salary. When an employee's salary is frozen in this situation, the MAU human resources office approving the request may place conditions on any increases for subsequent promotions or reclassifications that do not exceed the salary grade of the position from which the employee demoted. Such conditions shall be defined in the appointment letter. Additionally, reclassification activity for the position will not occur for six months following the effective date of the voluntary demotion.

- c. A non-voluntary demotion for exempt and nonexempt staff based on inability to perform a job will result in a salary decrease. Placement will be at the maximum of the new grade or to the step in the new grade which is closest to but does not exceed a 10 percent decrease, whichever decrease is greater.

C. Salary Schedule Review

Annually, the Board of Regents will review the staff salary schedule. Annual adjustments will be applied to the staff salary schedule, subject to funding availability, based on applicable internal and external factors, including consideration of the Consumer Price Index (CPI) as reported by the Alaska Department of Labor and Workforce Development.

(05-13-10)

**R04.05.044. Casual Labor, Temporary Exempt and Nonexempt Staff, and Student Employees**

A. Casual Labor

The Statewide Office of Human Resources will establish and maintain a casual labor salary schedule. Casual labor employees are not eligible for pay movement. Current regular University of Alaska employees are ineligible for casual labor hire.

1. Placement

- a. New casual labor hires will be placed at an hourly rate appropriate for the type and nature of work being performed based upon the degree of urgency, working conditions, specialized knowledge, skills, and experience required.
- b. The hiring authority, in consultation with the regional human resources office, will determine appropriate salary placements for casual labor within his/her area of responsibility. Upon request, this information will be made available to the affirmative action office.

(02-07-16)

B. Temporary Staff

Temporary and extended temporary employees are not eligible for pay movement. Movement from temporary to extended temporary status will not affect step placement.

Specific federal or state funded employment programs may require or prohibit certain benefits for the duration of a temporary employee contract. Under these circumstances, appropriate regulation may be waived by written approval of the regional human resources office. A copy of the waiver will be provided to the Statewide Office of Human Resources.

1. Placement
  - a. Temporary hires and extended temporary employees, excluding students in student designated jobs and part-time faculty, are normally paid an hourly pay step contained in the appropriate staff salary schedule maintained by the Statewide Office of Human Resources and as specified by regulation.
  - b. Salary step placement of temporary or extended temporary employees will not be used as a basis for step placement in a term-funded or regular job.
2. Exceptional placement is salary placement of a new employee above the first step of the assigned salary grade based on criteria which may include exceptional qualifications of the selected candidate, lack of other qualified candidates, or equity and alignment with placements of similar staff within the unit. Exceptional placement requires prior approval by the president or appropriate chancellor based on recommendations from the regional human resources director. The chancellor or president may, in writing, delegate this approval authority

(02-07-16)

C. Student Employees

Placement and movement for student employees will be established in the student employment regulation.

(06-20-97)

**R04.05.050. Performance Bonus**

The president or such person(s) as the president may designate may establish, from available resources, funds to be distributed as bonuses to meritorious employees in extraordinary circumstances, including those employees whose current pay is beyond the end of the salary schedule. Distribution of bonuses will be made in accordance with procedures established by the president or the president's designee(s).

(06-20-97)

**R04.05.060. Geographic Salary Differentials**

Geographic salary differentials in the university are based on State of Alaska geographic differentials study. The rates are as follows (- = Base):

Aleutian Islands/Adak/Sand Point	27
Anchorage/Girdwood/Chugiak/Eagle River	-
Aniak/McGrath/Galena	30
Barrow/Kotzebue	42
Bethel	38
Bristol Bay/Dillingham	27
Cordova/Glenallen/Cooper Center	11
Delta Junction/Tok	16
Fairbanks	-
Ft. Yukon	42

Juneau	-
Kenai/Soldotna/Homer	-
Ketchikan	-
Kodiak	9
Nenana	20
Nome	34
Palmer/Wasilla	-
Seward	-
Sitka/Angoon	-
Skagway/Haines	5
Valdez	11
Yakutat	5

The president will adjust the listings as necessary. An employee whose differential would be reduced in implementing a change in geographic differentials will not have a reduction in rate of pay.

(02-07-16)

**R04.05.070. Shift Differentials.**

The university recognizes that nonexempt employees who may be required to perform their work assignments during non-regular hours may merit additional compensation. The university will apply a premium shift differential under the following circumstances:

- A. Nonexempt employees, including those in regular and temporary positions, working in continuous operations which must be staffed on a 24-hour a day basis, are eligible for premium shift differential pay.
- B. Premium shift differential pay is paid to employees whose normal work assignment begins between 4:00 p.m. and 5:50 a.m. All other assignment periods are considered to be part of a regular shift.
- C. Premium shift differential pay is 105 percent of the base rate.

(06-03-94)

**R04.05.080. Responsibility for Plan Documentation**

The Statewide Office of Human Resources (SWOHR) will be responsible for maintaining all master plan and summary plan documents relating to the compensation and benefit programs of the University of Alaska. Questions concerning the accuracy and/or currency of a document should be addressed to SWOHR. In all cases the documents retained by SWOHR will govern in all disputes. Updated documents will be distributed periodically.

(06-03-94)