



**Florida Institute of Technology**  
**Personnel Policies & Procedures**

# Compensation Policy

Applicability Employee Classes:

All except: Executive ,  
Faculty, & Non - GSA  
Student Employees

Effective:

January 1 , 2005

Approved:

Signature on file

Anthony J. Catanese, President

Page 1

of 12

## A. POLICY

The intent of this policy is to provide an available, concise source of information concerning the compensation policies and procedures of Florida Tech. Providing this reference will result in a better understanding of the compensation program and objectives.

## B. DISCUSSION

The goal of the Florida Tech compensation program is fair payment to employees as a function of several factors, including but not limited to: the job duties assigned to the position as compared to the duties of other positions at the university; the evaluation of the actual performance of the duties; and the budgetary constraints of the unit and the university.

## C. DEFINITIONS

1. Employees assigned to the following employee classes are covered by this policy: 02, 03, 04, 05, 09, 10, 11, 16, 18, 19, 22, 23, 24, 25, 26, 29, 30, 31, 32, 43, 44, 45, 46, 50, 51, 52, 53, 56, 57, 58, and 59. See the ***Employee Class*** policy for an explanation of the employee classes.
2. The employee classes listed above are covered by one of three pay plans. Copies of the current pay plans are included as addenda to this policy.
  - a. The hourly/salaried pay plan (which covers employee classes 02, 03, 04, 05, 09, 10, 11, 23, 24, 25, 26, 29, 30, 31, 32, 43, 44, 45, and 46) is divided into quartiles. The first quartile may be thought of as the midpoint between the minimum and the midpoint, and the third quartile may be thought of as the midpoint between the maximum and the midpoint. These points are defined for reference and for policy use.
  - b. Temporary employees may be hired at a rate appropriate to the duties they will perform. While these employees are not strictly governed by a particular pay plan, compensation should be consistent with the hourly/salaried pay plan. For example, a Temporary employee hired to perform secretarial duties should be compensated at a rate consistent

with the compensation of regular university employees assigned to the Administrative Secretary job classification.

- c. The Research Professional pay plan covers employee class 16.
  - d. The Graduate Student Assistant (GSA) pay plan covers employee class 22.
3. Faculty compensation administration policies and procedures are generated and administered by the Office of the Vice President for Academic Affairs.
  4. Student employee (employee classes 20 and 21) compensation administration policies and procedures are detailed in the *Student Employment* policy.

#### D. MERIT REVIEWS

Merit increases are granted to employees in order to encourage efficiency and to reward performance. Merit increases are not automatic. Merit increases are granted only when the university's general economic condition permits. An employee does not acquire any right to a merit increase because of his/her length of service in a particular position or with the university in general.

1. When conditions permit, employees will normally be given an annual merit review for the purpose of recommending an adjustment to pay. This annual cycle also applies to employees who are on "soft" money (acquired through contracts and/or grants). The merit review process will normally take place in September of each year, with approved adjustments normally becoming effective as of the first full pay period in October. Any variation from this cycle requires the approval of the University President.
  - a. The amount of funds available for merit increases shall be established annually, prior to the review period and subject to approval by the University President.
  - b. The Director of Human Resources will publish and distribute to all supervisors the guidelines for merit increases based upon the approved funds available.
2. Based upon the employee's performance evaluation, the merit recommendation may or may not be granted. If an adjustment is not recommended by the supervisor, or a recommended adjustment is not approved, the employee will not be eligible for a merit increase until the next review cycle.
3. Factors considered during a merit review include but are not limited to:
  - worth to the University compared to other employees in the same job category;
  - position within the established pay range;

- the amount of supervision required;
  - initiative;
  - the quality and quantity of output;
  - ability to work with others;
  - creativeness;
  - willingness to assume responsibility;
  - dependability;
  - attention to safety; and
  - attendance and punctuality.
4. The general guidelines for an adjustment are as follows:
- Maximum Adjustment: Superior performance in all areas of job assignments and excellent growth.
  - Mid-Range (Normal) Adjustment: Sustained, steady growth and showing some improvement.
  - Lower-Range Adjustment: Marginal growth and fair performance.
5. In no case will an adjustment be made retroactive. It is the responsibility of the employee's supervisor to be sure that appropriate forms are completed and submitted in a timely manner. If an employee is concerned that his/her merit review will be late, which could result in financial loss to the employee, the employee should discuss the matter with his/her supervisor.

#### E. PROMOTIONS

A promotion is defined as a change in job responsibilities to another position having higher levels of responsibility and authority. The changes **must** be reflected in movement into a job in a higher pay grade. For the purposes of this policy, a promotion may be the result of the classification process or through the employment process.

All promotional increases are subject to the following limitations:

The granting of a promotional increase must be made at the time of the promotion. Lack of available funds at the time of the promotion will not justify a retroactive or delayed increase.

A promotional increase will only be granted up to the maximum for the pay grade.

1. Upon promotion through either the classification or employment process, an employee will receive an increase in pay sufficient to achieve the pay grade minimum of the new position.
2. Employees promoted as the result of the classification process may receive a promotional increase of up to 15.0% which will include that portion of an increase needed to attain the minimum of the new pay grade. Promotional increases are subject to departmental budgetary limitations and approval of the appropriate Vice President
3. Employees promoted as the result of the employment process may negotiate a promotional increase with the hiring official. Negotiated promotional increases must result in a rate of pay equal to or greater than the minimum of the new pay grade and equal to or less than the maximum of the new pay grade. Such increases are subject to departmental budgetary limitations as well as the approval of the Office of Human Resources and the appropriate Vice President.
4. An employee who has received a promotion will normally be eligible for consideration for a merit review during the next merit review period.
5. In a limited number of situations, an employee may be eligible for an increase in his/her rate of pay for movement to a position within the same pay grade. See Section G of this policy for additional information.
6. An employee is expected to remain in his/her position for at least six months before seeking promotional opportunities. If in the best interests of the University, the Director of Human Resources may grant an exception to this provision. This provision does not apply to Temporary employees.
7. Exceptions to this policy must be approved by the University President.

#### F. DEMOTIONS

A demotion is defined as a reduction in job responsibilities and authority to a job classification in a lower pay grade.

While an employee may request a voluntary demotion for a variety of personal reasons, a demotion may also be the result of a reorganization, or represent changes in job function due to inadequate performance, inability to attain job objectives, or disciplinary action.

All demotion actions must be reviewed and approved by the Office of Human Resources prior to the action.

1. In the event of a voluntary demotion, subject to departmental budgetary restrictions, the pay of the employee may remain unchanged if that rate falls between the minimum and maximum of the lower pay grade, or the rate may be reduced to an amount that is mutually agreeable to the employee and the Division Director, Department Head or Program Chair. Under no circumstances will a demotion result in an increase in an employee's rate of pay.
2. In the event that a reorganization results in a demotion, subject to departmental budgetary restrictions, the pay of the employee may remain unchanged even if the rate falls above the maximum of the lower pay grade, or the rate may be reduced to an amount appropriate to the classification of the lower level position. Under no circumstances will a demotion result in an increase in an employee's rate of pay.
3. In the event of a demotion for performance reasons or disciplinary action, the rate of pay of the employee will, with the approval of the appropriate Vice President, be reduced to a rate within the pay grade to which the employee is assigned. Minimally, if the rate of pay exceeds the maximum of the lower pay grade, the rate of pay of the employee will be reduced to the maximum of the lower pay grade. Under no circumstances will the rate of pay of an employee demoted for performance or disciplinary reasons be permitted to exceed the maximum of the lower pay grade or result in an increase in an employee's rate of pay.

#### G. LATERAL TRANSFERS

A lateral transfer is a change of job assignment to a job having commensurate responsibilities and authority to the job presently held by the employee. A lateral transfer is, therefore, defined as movement from one job classification to another job classification in the same pay grade. Compensation is not affected since both classifications are assigned to the same pay grade and, therefore, both have the same relative value to the university.

In instances in which an employee moves from a job classification which does not have a market adjustment to a job classification in the same pay grade that does have a market adjustment, the employee may be eligible for an increase in his/her rate of pay. This eventuality is dictated by market conditions and, when possible, must be documented and prearranged with the appropriate Vice President and the Director of Human Resources before recruitment for the vacant position is to begin.

#### H. NEW HIRES

This section of this policy applies solely to individuals hired from outside of the university. Policy regarding internal hires/movement of employees are covered in Sections D, E, F and G, above.

1. It is expected that new hires will normally begin employment at a rate below the midpoint of the pay grade. The range of the pay grade between the

minimum and the midpoint may be thought of as the "hiring range" for the position.

- a. Individuals hired from outside of the university who just meet the minimum qualifications that were the basis for the recruitment process may be hired at any rate between the pay grade minimum and the first quartile of the pay grade. Only the approval of the Division Director, Department Head or Program Chair is required for hiring at these rates.
  - b. Individuals hired from outside of the university who exceed the minimum qualifications that were the basis for the recruitment process may be hired at any rate between the first quartile of the pay grade and the third quartile of the pay grade, with the approval of the appropriate Dean, Division Director, Department Head or Program Chair, the appropriate Vice President and the Director of Human Resources.
  - c. Individuals hired from outside of the university who exceed the minimum qualifications that were the basis for the recruitment process may be hired at any rate above the third quartile of the pay grade with the approval of the President after review and recommendation of the appropriate Dean, Division Director, Department Head or Program Chair, the appropriate Vice President and the Director of Human Resources.
2. Employees hired within three (3) months prior to a general merit review are not eligible for a merit increase as part of that cycle. For example, the normal merit review period is October 1. So, any employee hired on or after the previous July 1 would not be eligible for that merit review.
  3. Employees are expected to remain in their position for at least six months before seeking promotional opportunities. If in the best interests of the University, the Director of Human Resources may grant an exception to this provision. If a recently hired employee is granted an exception of this nature, his/her promotional increase will be in accordance with Section E of this policy. The next opportunity for an employee to receive an increase will be with the annual review in October subject to the conditions outlined in this policy and procedures promulgated during the merit review process.

#### I. COMPENSATORY ("COMP") TIME

Compensatory, or "comp" time, (defined as time off in lieu of cash payments for overtime work) is not permitted by University policy for any employee. Federal laws require that hourly/non-exempt employees must be paid at an overtime rate for any and all hours worked over forty (40) in a pay week.

Flexible scheduling within the university's pay week (defined as adjusting an employee's schedule **during** the university's pay week) is an appropriate technique to use in order to avoid an overtime situation. If it is not possible to adjust the hourly/non-exempt employee's schedule by use of flexible scheduling so that the

employee works more than forty (40) hours in a pay week, then payment for hours worked in excess of forty (40) must be made at the overtime rate of pay.

See Section J, below, for a discussion of overtime pay, and Section J(6), specifically, for a description of the appropriate use of flexible scheduling.

Supervisors who permit the use of "comp" time in lieu of cash payments for overtime worked (a violation of federal law), are subject to disciplinary action up to and including discharge.

## J. OVERTIME

Employees who are considered exempt from the overtime requirements of the Fair Labor Standards Act (FLSA) will receive no additional compensation for hours worked except as detailed in Section L of this policy. Graduate Student Assistants are considered salaried/exempt employees. Hourly/non-exempt employees must be paid at an overtime rate for any and all hours worked over forty (40) hours in the university's defined pay week.

1. Overtime calculations are based upon hours actually worked within the university's defined pay week of 12:01 a.m. Sunday to midnight the following Saturday.
  - a. Vacation Leave, Sick Leave, Holiday Pay, Personal Holiday, Anniversary Day, Bereavement Leave, Jury Duty, and/or any other forms of compensation for hours not actually worked are not included in overtime calculations.
  - b. Overtime calculations are not based upon a biweekly pay period.
2. Overtime must be previously authorized and approved by the employee's immediate supervisor and the appropriate budget manager. Employees may not work overtime hours without authorization.
3. It is the supervisor's responsibility to ensure that unauthorized overtime is not worked.
4. Employees may be required to work overtime in connection with university activities or emergencies. Overtime work due to an emergency shall be performed by the employee the supervisor determines to be the most available and capable to perform the job. Such overtime assignments will be made without regard for seniority.
5. The total hours actually worked for one or more departments of the university must be counted in determining overtime, even though employment in any one department may not have exceeded forty (40) hours. In such cases, the department that caused the overtime situation to occur will have the responsibility for paying the overtime.

6. Hours worked within a defined pay week may be adjusted in order to avoid an overtime situation but hours may not be adjusted in a following week.

For example, if an employee whose regular schedule is eight (8) hours per day, Monday through Friday works ten (10) hours on Monday, he/she may be permitted to leave two hours early, or come into work two hours late during the balance of the defined pay week. In this manner, overtime is avoided because the employee will not have physically worked more than forty (40) hours in a pay week. If, in this example, the employee worked the balance of his/her week as scheduled (eight hours per day, Tuesday through Friday), he/she must be paid overtime for the two (2) hours worked over forty (40). The employee may not use the two (2) additional hours to come into work late or leave work early in any week other than the week in which the two (2) hours were worked.

#### K. SHIFT DIFFERENTIAL

For those job classifications approved for a shift differential, the shift rate will be 4% above the employee's base rate of pay.<sup>1</sup> Supervisors will be able to tell an employee if his/her position has been approved for a shift differential.

A shift differential is not considered part of an employee's base rate of pay and should be removed when calculating any form of increase in rate of pay. Additionally, an employee will lose the shift differential if he/she is no longer assigned to the shift.

It is the responsibility of the supervisor and the Division Director, Department Head or Program Chair to notify the Office of Human Resources of the need to add or remove a shift differential.

#### L. SUPPLEMENTAL COMPENSATION

##### 1. Non-Faculty Salaried (Exempt) Employees

A salaried employee will be provided supplemental compensation when the duties to be performed are completely outside the scope of responsibilities for which he/she has been hired. Normally, the supplemental duties must be performed outside the department to which the employee is regularly assigned, and outside of normal working hours.

When performing duties for another unit, the head of the unit for which the duties are to be performed and the head of the unit from which the employee originates must provide advance approval for both the work to be performed and the rate of pay. The rate of pay for supplemental compensation must be reasonable, consistent with the work performed, and consistent with the rate of

---

<sup>1</sup> Security Officers work a rotating shift and therefore have a shift differential factored into their base pay. In these instances, the differential is considered part of the employee's base rate of pay. In the event that an Officer has his/her shift standardized, the shift differential factor will be removed.

pay for like positions. **Supplemental pay rates must be reviewed and approved, in advance, by the Director of Human Resources.**

2. Hourly (Non-exempt) Employees

Supplemental pay for hourly employees must be paid as overtime pay. See Section J of this policy for a complete discussion of overtime pay.

3. Graduate Student Assistants (GSA's)

For the purposes of payroll processing, graduate student assistants are classified as non-faculty salaried employees, thus, under normal circumstances, GSA's would not be eligible for supplemental compensation over and above the terms of their contracts. It is recognized, however, that there may be instances when a GSA could provide specific expertise for which additional compensation might be warranted. Division Directors, Department Heads or Program Chairs wishing to provide such additional compensation to a GSA must request approval, in advance and in writing, from the Dean of the Graduate School. If the Dean determines that such additional compensation is justified, he/she will seek the concurrence of the Director of Human Resources. **All approvals must be granted in advance of the activity for which the GSA is proposed to be paid supplemental compensation.**

M. ADVANCED PAYMENT OF EARNED WAGES

An employee may not be paid for time to be worked in the future. Therefore, advances in pay are not permitted. While pay advances are not permitted, an employee may request advanced payment of earned wages under certain circumstances. Earned wages are wages for a period of time or effort that has passed but has not yet been paid by a paycheck.

1. An employee may request advanced payment of earned wages in case of a financial emergency. Such a request, to include specific details of the financial emergency, must be reviewed and approved by the employee's supervisor, Dean, Division Director, Department Head or Program Chair, and the Director of Human Resources.
2. In order to request this payment, the employee must complete the appropriate form and submit the approved form to the Office of Human Resources.
3. By requesting advanced payment of earned wages, the employee, in completing the form, agrees to the following terms:
  - a. this payment is not a loan;
  - b. the employee must pay the University the entire amount of the Advanced Payment by payroll deduction in the next pay cycle;

- c. should the employee separate from Florida Tech, the entire amount will become due and payable; and
- d. if placed in the hands of an attorney for collection, the employee is responsible for payment of attorney's fees.

#### N. PAYMENTS DUE TO ADMINISTRATIVE ERROR

Administrative errors include:

- a. The employee did not receive a paycheck on a regularly scheduled pay day due to an administrative error in the payroll process. Such administrative errors include: data input errors to the employee's record; data input errors during the time entry process; departmental submission of incomplete paperwork; as well as late submission of required paperwork.

In these instances, the Office of Human Resources, the Payroll Office, and the employing department will attempt to resolve the errors and attempt to issue a pay check by the close of business on the regularly scheduled pay day.

- b. The employee did not receive a paycheck on a regularly scheduled pay day due to the employee's failure to provide required and requested documents in a timely manner.

In these cases, the employee will have to wait for payment until the next regularly scheduled pay day.

#### O. EMERGENCY CALL-IN PAY

Emergency call-in pay means that the employee is called or paged by appropriate supervision to report to campus in order to respond to an emergency at a time that is not adjacent to his/her normal working hours. Such payment is intended to compensate the employee for the inconvenience of returning to the job site. For the purpose of this policy, "adjacent" hours are the hours immediately before and immediately after the normal working hours.

- 1. Emergency call-in pay is only available to hourly employees.
- 2. An employee who is asked to report early or stay late is not eligible for call-in pay because these hours are adjacent to his/her normal working hours. However, the employee will be compensated for **all** hours worked at his/her regular hourly rate, and in accordance with appropriate overtime rules and regulations.
  - a. An employee who has not "clocked" in but is on site before his/her normal working hours and is asked to "clock" in early to respond to an emergency is not eligible for call-in pay but will be paid for the additional time worked.

- b. An employee who has "clocked" out but is on site after his/her normal working hours and is asked to "clock" back in to respond to an emergency is not eligible for call-in pay but will be paid for the additional time worked.
3. An employee who has left the site and is called-in during the first shift after his/her normal working hours will receive a minimum of two (2) hours of pay at the overtime rate.
4. An employee who has left the site and is called-in during the second shift after his/her normal working hours will receive a minimum of four (4) hours of pay at the overtime rate.

P. COMPENSATION WHILE ON PARTIAL PAID LEAVE

An employee receiving partial pay from Workers' Compensation, Short-term Disability or Long-term Disability pay may supplement such payments with use of Vacation Leave and/or Sick Leave. However, in no case may the combination of partial pay from Workers' Compensation, Short-term Disability or Long-term Disability pay when added to pay received from Vacation Leave and/or Sick Leave total more than the employee's normal paycheck.

Q. COMPENSATION DURING UNIVERSITY CLOSURE DUE TO DISASTER

1. In the event of university closure due to a disaster, as defined in the University's ***Disaster Contingency Plan***, employees will normally receive regular pay for the duration of the closure. However, since the duration of a disaster related closure is impossible to predict, the University reserves the right to adjust this provision to the specific circumstances of the closure.
  - a. Hourly/non-exempt employees required to remain on campus will normally receive compensation at the equivalent rate of double time for all hours actually worked during the university closure. This payment reflects the combination of:
    - i) hours actually worked and;
    - ii) the regular hours paid to employees for the duration of the closure as detailed in Section Q(1), above.
  - b. Salaried/exempt employees required to remain on campus during a closure will receive only regular compensation as detailed in Section Q(1), above.
2. If a disaster occurs after normal working hours, hourly/non-exempt employees contacted to return to campus in order to perform functions detailed in their ***Departmental Disaster Plan*** will receive compensation at the equivalent rate of time-and-one-half for all hours actually worked. These hours are to be paid

at a rate equivalent to time-and-one-half even if an overtime situation does not exist (see Section J of this policy).

3. The provision of compensation at the equivalent rate of double time for all hours actually worked during the university closure does not apply to:
  - a. Time spent securing and preparing the work area for the closure. These duties may include but are not limited to: packing supplies and/or records; disconnecting and moving equipment; and spreading protective covering.
  - b. Salaried/exempt employees.
  - c. Hourly/non-exempt employees not directed by appropriate supervision to remain on campus. An employee who remains on campus without the direction of supervision is not eligible for and will not receive compensation beyond that approved for employees released from work and sent home.
4. The period of the university closure will be based upon the announced closing and opening times of the university.
5. In order to ensure proper crediting of employee efforts, supervisors are expected to create and maintain a record of employees required to remain on campus during an official university closure.