

EXCEPTION SALARY GUIDELINES

March 24, 2008

NEW HIRES

All new hires must be hired at a pay rate within the new-hire pay range established for the classification in which s/he is applying. New-hire pay ranges are established and maintained by Human Resources. If a department wishes to offer a candidate a salary above the established pay range maximum, the department should request an HR **Exception Salary Review**. Exception salary eligibility is based on the candidate's level of education and years of experience related to the position. See Table A & Table B.

Exception Salary Reviews should be submitted in writing (an email is acceptable) to the Compensation Generalist prior to the department making an unofficial offer to the candidate. Requests should include the following: Position Title, Position # (found on the personnel requisition), Candidate's Full Name, and a brief explanation of why the department feels the candidate is truly exceptional.

For each request, the Compensation Generalist will complete an **Exception Salary Request Form** to determine whether the candidate qualifies for an exception salary. Once HR has completed the review, the Compensation Generalist will notify the department the maximum allowable pay rate for the candidate. The original form will be filed in the Compensation Generalist's office once review is completed.

CURRENT UNIVERSITY EMPLOYEE TRANSFERS

DEMOTIONAL TRANSFERS

If a UM employee voluntarily accepts a position with a lower start rate, it is considered a demotional transfer. At the time of the transfer, a transfer calculation will be completed by the Compensation Generalist to determine the demotional transfer rate (following the guidelines from the Variable Compensation Plan-VCP). Upon completion of the Pay Rate Evaluation Period (PREP), the department can request an HR **Exception Salary Review**.

Exception salary eligibility for demotional transfers is based on the candidate's level of education, years of experience related to the position, and consecutive years of service at the University. See Table A, Table B, & Table C. An increase of 5% above the employee's demoted pay rate is the maximum allowable increase.

LATERAL TRANSFERS

If a UM employee moves to another position-type with the same start rate, it is considered a lateral transfer. All lateral transfers will use the new-hire flexibility range as the calculation method (per the VCP guidelines). If the incumbent's current salary is above the new-hire flexibility range and the hiring department has the funding to pay at the employee's current rate, no change in pay is required. Upon completion of the Pay Rate Evaluation Period (PREP), the department can request an HR **Exception Salary Review**.

Exception salary eligibility for lateral transfers is based on the candidate's level of education and years of experience related to the position. See Table A & Table B. An increase of 10% above the new-hire flexibility pay range is the maximum allowable increase. If an employee's pay rate is higher than the maximum allowable pay rate with the exception increase (10% over the new-hire pay range), no additional exception can be made. The employee will remain at his/her current pay rate and will be eligible for an increase during the next merit increase cycle.

PROMOTIONAL TRANSFERS

If a UM employee accepts a position with a higher start rate, it is considered a promotional transfer. At the time of the transfer, a transfer calculation will be completed by the Compensation Generalist to determine the promotional transfer rate (following the guidelines from the VCP). Upon completion of the Pay Rate Evaluation Period (PREP), the department can request an HR **Exception Salary Review**.

Exception salary eligibility for promotional transfers is based on the candidate's level of education and years of experience related to the position. See Table A & Table B. An increase of 10% above the new-hire flexibility pay range is the maximum allowable increase. If an employee's pay rate is higher than the maximum allowable pay rate with the exception increase (10% over the new-hire pay range), no additional exception can be made. The employee will remain at his/her current pay rate and will be eligible for an increase during the next merit increase cycle.

NOTE: Exception Salary Review requests must be completed within one month of the completion of the Pay Rate Evaluation Period (PREP) or the employee will not be eligible for an exception increase.

Approved: 3/24/2008