

**UNIVERSITY OF HOUSTON SYSTEM  
ADMINISTRATIVE MEMORANDUM**

**SECTION: Human Resources**

**NUMBER: 02.B.04**

**AREA: Compensation**

**SUBJECT: Salary Guidelines for Non-Faculty Personnel**

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1. POLICY

- 1.1. The primary objective of salary policies of the University of Houston System is to assist in attracting, retaining, and motivating qualified employees.
- 1.2. The recognition of meritorious performance should be the dominant consideration in salary reviews and adjustments.
- 1.3. The guidelines that follow apply to the University of Houston System non-faculty personnel and provide a general framework for salary determination processes at each component. Those matters not addressed fall within the jurisdiction of each component.

2. PROCEDURES

- 2.1. Decisions on all salary adjustments must be implemented in accordance with legislative requirements.
- 2.2. Funds available for salary adjustment pools can be determined during budget preparation or identified from operational savings generated during the year. Normally, salary adjustments are awarded on an annual basis and may be awarded midyear at the option of the chief executive officer at each component.
- 2.3. Salary adjustments made on September 1 shall be developed in conjunction with the annual operating budget preparation and shall be approved by the Board as a part of the annual Plan and Budget document.
- 2.4. Midyear salary adjustments shall allocate previously budgeted merit and equity pools or budgeted funds generated at the departmental level. Midyear salary adjustments shall be approved by the Board at the meeting prior to the effective date of the adjustment in the format of the annual Plan and Budget document.
- 2.5. All components of the University of Houston System must have written procedures for annual evaluation of the employee's performance, for merit salary adjustments, and for salary adjustments based on equity.

2.6. Salary guidelines applicable to state supported activities will apply uniformly to salaries funded from auxiliaries, restricted funds, and local funds to the extent that resources from each of those sources are available.

2.7. Definitions of allowable salary adjustments:

- a. Merit: recognition of performance.
- b. Promotion: advancement with a defined career path.
- c. Assignment: increases or decreases in the scope of responsibility and authority.
- d. Equity: adjustments to correct or alleviate a significantly negative pay rate relationship to the external market or a significant internal pay inequity.

3. **MERIT SALARY ADJUSTMENTS**

Merit increases awarded at the beginning of the fiscal year or midyear must be within budget guidelines and must be based upon assessment of each employee's performance in accordance with university or system administration procedures.

4. **SALARY INCREASES ON DATES OTHER THAN SEPTEMBER 1 OR MIDYEAR**

Salary adjustments on dates other than September 1 or midyear are permitted only as exceptions to the general principle of these guidelines. Examples of exceptions include:

- 4.1. Employees who complete an initial probationary employment period during a fiscal year may be considered for appropriate salary adjustment according to approved personnel and payroll policies and procedures;
- 4.2. Employees who have a change in job status or assigned duties which warrants adjustment in salary;
- 4.3. Employees who transfer from one component of the University of Houston System to another, and who then occupy a different position for which the salary scale provides another level of compensation; or
- 4.4. Employees who are entitled to an equity salary adjustment on the basis of the definition in Section 2.7.d.

5. **REVIEW AND RESPONSIBILITIES**

Responsible Party: Interim Vice Chancellor for Administration and Finance

Review: Every five years on or before May 1

## 6. APPROVAL

Approved:

Jim McShan  
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 Interim Vice Chancellor for Administration and Finance

Renu Khator  
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 Chancellor

Date: \_\_\_\_\_ December 4, 2015

**REVISION LOG**

<b>Revision Number</b>	<b>Approval Date</b>	<b>Description of Changes</b>
1	05/11/1992	Initial version
2	04/12/1995	Change in title to “Salary Guidelines for Non-Faculty Personnel” (originally “Salary Guidelines”). Updated references from “component” to “University of Houston System” as indicated. Added reference to Section 5.8.1 of the Board of Regents By-Laws to Section 4.3
3	05/25/2011	Applied revised SAM template and added new Revision Log. Removed “semi-annual” from Section 1.1. Renamed the governing documentation to Annual Plan and Budget document throughout the procedures as needed. Removed Section 4.3 and corrected responsible party title. Removed Section 7.0, Indexing Terms
4	12/04/2015	Changed “mid year” to “midyear” throughout text. Removed original Section 4.2. Changed review period from even numbered years on or before May 1 <sup>st</sup> to every five years on or before May 1 <sup>st</sup> . Added Interim Vice Chancellor for Administration and Finance to Sections 5 and 6