1. **Policy Statement**
The policy sets forth the provisions regarding salary and salary adjustments for Managerial, Professional, Supervisory, and Confidential (MPSC) and other non-aligned employees.

2. **Reason for Policy**
To provide salary adjustment guideline information.

3. **Who Should Read this Policy**
This policy is applicable only to all employees in non-aligned positions. Policies from those that would be applicable to individuals in legacy UMDNJ positions. In this regard, individuals employed in Rutgers positions may be eligible for different non-State benefits than individuals who hold legacy UMDNJ positions.

4. **Resources**
- Policy 60.4.3 Employment Protection and Job Security for Managerial, Professional, Supervisory, and Confidential (MPSC) and Other Nonaligned Employees
- Policy 60.1.8 Equal Employment Opportunity and Affirmative Action
- Salary In-Grade Adjustment Form

5. **The Policy**

I. **Starting Salary for New Hires**

A. **External Hires**

MPSC Salary Grade Structures – The starting salary for a successful external candidate for an MPSC vacancy in the grade structure may be established up to 10 percent beyond the midpoint of the grade. Exceptions will require the approval of the appropriate Vice President/Chancellor and the Vice President for Faculty and Staff Resources.
Salary Grade Structures – The starting salary for a successful external candidate should be established based upon the relative internal worth of the position, qualifications of the candidate, internal equity, and external competitiveness (i.e., midpoint within relevant labor markets and peer institutions) at up to ten (10) percent above the midpoint for the salary grade. University Human Resources can provide guidance in evaluating the factors detailed above and establishing a competitive and internally equitable salary offer. Based on the above criteria, the hiring authority, at their discretion, may set the starting salary for the position at up to ten (10) percent above the midpoint for the salary grade/range.

Requests for exceptions to policy will require the approval of the appropriate Vice President, Chancellor, or designee, and the Senior Vice President for Human Resources and Organizational Effectiveness or designee.

MPSC Salary Ranges – The starting salary for a successful external candidate for a MPSC vacancy in a salary range may be established by the hiring department at a salary rate up to 15 percent above the established range minimum salary. Hires beyond the 15 percent hiring range but not in excess of the established range maximum require Vice President/Chancellor approval and authorization.

Other Non-Aligned Positions - For non-graded positions, salaries must be within the midpoint market rate values for the position when compared to peer institutions in a comparable market, and consistent with comparable university positions.

B. Internal Hires

The compensation level for a successful internal candidate (current Rutgers employee and not employed within a legacy UMDNJ position) for a non-aligned job posting will be determined as detailed in the following section on Promotion.

The compensation level for a successful internal candidate for a non-aligned job posting will be determined as detailed in the following section on promotion.

II. Promotion

Promotion is the formal advancement of an individual from one position to a more responsible vacant position in a higher salary grade/range, or non-graded position. Promotion results either when an employee is the successful applicant for such a position or when a department decides to promote an employee internally to an established vacant such a position. All vacant positions that are to be filled must be reviewed by University Human Resources. Affirmative Action procedures must be followed during the recruitment process.

A. Salary

The salary increase resulting from a promotion is determined as follows. (Use the same formula for employees who are promoted out of bargaining units.)

1. A minimum of 5 percent up to a maximum of 15 percent increase to the employee’s salary at the discretion of the hiring authority. The new salary cannot be less than the minimum or more than the maximum of the new range or grade. For salary grades, most salaries are expected to cluster around the grade midpoint, which is a measure of the market rate. For non-graded positions, salaries must be at the midpoint market rate values when compared to peer institutions in a comparable market, and consistent with comparable university positions. Hiring authorities must take this fact into consideration in determining the offer salary. An additional factor to take into consideration is whether the promotion results in an increase in the standard number of hours worked per week.
2. Under extraordinary circumstances, a Vice President or Chancellor may request that an exception be made to provide an increase in excess of the above parameters. Exception requests should be forwarded to the Vice President for Faculty and Staff Resources Senior Vice President for Human Resources and Organizational Effectiveness or his or her designee.

1. A minimum of five (5) percent up to a maximum of fifteen (15) percent increase to the employee's salary at the discretion of the hiring authority. The new salary cannot be less than the minimum or more than the maximum for the new grade. The hiring authority should consider the relative internal worth of the position, qualifications of the candidate, internal equity, and external competitiveness (i.e. midpoint within relevant labor market and peer institutions) when setting the promotional salary increase. An additional factor to take into consideration is whether the position results in an increase in the standard number of hours worked per week. University Human Resources can provide guidance in evaluating the factors detailed above and establishing a competitive and equitable salary offer.

2. A Vice President, Chancellor, or designee may request an exception on the basis of market competitiveness, internal equity, or candidate qualifications. The request and supporting documentation should be forwarded to the Senior Vice President for Human Resources and Organizational Effectiveness or designee.

B. Effective Date of Promotion

The effective date is the date on which, after all necessary approvals are received, the employee begins work in the new title.

III. Lateral Move

If an employee moves laterally (i.e., to a new position that is evaluated in the same grade as the position the employee is leaving), the employee will be placed in the new title but will remain at the same salary, unless the department determines that an in-grade adjustment is appropriate and approved in accordance with Section V.

IV. Job Reclassification

Job reclassification is the formal change in a position’s grade due to a substantive change in job content. Reclassification may be downward or upward with a corresponding change in compensation and possibly a change in job title.

A. When a position has been reclassified to a higher grade, the effective date of the upward reclassification will be the payroll begin date following receipt of the completed Classification and Recruitment Form by the Newark Human Resources Office, the Camden Chancellor's Office, or University Human Resources in New Brunswick. The compensation level for the individual is determined by following the promotion policy in Section II.

B. When a position is reclassified to a lower grade, the compensation level for the individual is determined by the downgrade policy in Section VI.

V. In-Grade Salary Adjustments

A. In-grade salary adjustments may be used to provide increases to non-aligned employees outside of the university’s salary programs and under the following specific conditions:
1. When an employee in the same position assumes a demonstrable increase in the scope, depth and complexity of their job functions and their outcomes which do not warrant an upward reclassification of the employee’s grade;

2. When an employee transfers to a different position within the same salary grade and assumes a demonstrable increase in the scope, depth and complexity of job functions and their outcomes as a result of the new position;

3. When an employee received a written external employment offer where the external position is at a comparable level to the employee’s current position and within a comparable job market, and a counter offer would not result in internal equity issues within the requesting department;

4. In order to provide for an equity adjustment as a result of substantiated internal and/or external market conditions.

All requests for in-grade salary adjustments require concurrence by the supervisor, the department/division head, and the appropriate Vice President/Chancellor. Requests will be submitted to University Human Resources to determine if the additional responsibilities added to the position are appropriate within the current grade.

B. In-grade salary adjustments must satisfy the following parameters:

1. The salary adjustment should not exceed 10 percent.
2. The resulting salary does not exceed the salary grade maximum.
3. The employee has not had another in-grade salary adjustment within the last 12 months.
4. The employee’s grade has not been upgraded as a result of a reclassification or promotion with the last 12 months.
5. The effective date of the in-grade salary increase will be the payroll begin date following receipt of the completed In-Grade Salary Adjustment Form by the Newark Human Resources Office, the Camden Chancellor’s Office, or University Human Resources in New Brunswick.

All requests that are outside of these parameters must be submitted to the Vice President for Faculty and Staff Resources, Senior Vice President for Human Resources and Organizational Effectiveness, or his or her designee for approval.

VI. Downgrade

Moves to a lower job classification may occur as the result of an employee’s personal choice (voluntary downgrade); for documented inadequate job performance (deficiency downgrade); or when through no fault of the employee the university determines that the individual position should be reclassified downward (involuntary, no-fault downgrade).

An employee who is given notice of layoff but who, before removal from the payroll, is the successful applicant for a lower-rated position will be compensated in accordance with Section VI (A) - Voluntary, below. An employee who is laid off and then rehired will be compensated in accordance with the Policy on Employment Protection, Section 60.4.3, of the University Policy Library.

If an employee moves into a position covered by a bargaining unit as a result of a downward reclassification or as a result of being a successful candidate, the rules for that unit apply.

Salary adjustments resulting from these downward moves are calculated as follows:
A. Voluntary and Deficiency Downgrades

1. If an employee voluntarily elects to move to a lower-rated job and received an appraisal rating of Meets Standards on his or her most recent performance evaluation, or if the downward move is a result of documented below-standard job performance or documented disciplinary action, the employee’s salary is reduced by a minimum of 5 percent and up to a maximum of 15 percent. If the reduced salary exceeds the maximum of the lower grade, the individual will be placed at the maximum of the lower grade.

2. The dean, director, or department head must submit a written request for a salary reduction to the Vice President for Faculty and Staff Resources or his or her designee for consideration and decision.

3. The adjusted salary is effective the first day of the pay period following the date the employee begins work in the lower-rated job title after all necessary approvals have been received.

B. Involuntary Downgrade

1. No-Fault Downgrade

   When the university, through no fault of the employee, determines that a position should be reclassified downward, the individual is moved to the lower grade at the same salary, not to exceed the maximum of the lower grade. If the salary falls above the grade maximum and the employee received an appraisal rating of Meets Standards on his or her most recent performance evaluation, the individual's salary will be frozen (“red-circled”) until such time as the maximum is raised above that level, but not to exceed two years from the date the salary was frozen. If at the end of two years the red-circled salary continues to exceed the maximum of the lower grade, the employee’s salary will be reduced to the maximum of the lower grade at that time.

   This section does not apply to positions supported by grant funds. When a position that is supported by grant funds is reclassified downward, compensation will be calculated under Section VI (A) - Voluntary.

VII. Title Upgrade

When the job content of a title remains essentially the same but the grade is deemed to be incorrect and the title is given a higher grade, incumbents are moved to the higher grade as follows:

A. The employee retains the same salary in the new grade.

B. If the employee’s salary is below the minimum of the new grade, it will be increased to the minimum.

VIII. Title Downgrade

When the job content of a title remains essentially the same, but the grade is deemed to be incorrect and the title is given a lower grade, salary adjustments are calculated in accordance with Section VI (B) - Involuntary Downgrade.

IX. Red-Circled Employees

A. When a red-circled employee is promoted or reclassified upward, the compensation level for the individual is determined in accordance with the promotion policy in Section II - Promotion.
B. When a red-circled employee is reclassified downward, compensation is determined by the downgrade policy in Section VI (B) (1) - No Fault Downgrade.

C. When a red-circled employee's title is upgraded, salary is calculated in accordance with Section VII.

D. When a red-circled employee's title is downgraded, salary is calculated in accordance with Section VIII.

X. Exceptions

Exceptions to any provisions within Policy 60.4.10 may be granted only by the Vice President for Faculty and Staff Resources Senior Vice President for Human Resources and Organizational Effectiveness or his or her designee following written request by a dean, director, or department head.