

Guide to Preparing Pay Action Requests for Classified Employees and University Staff (In-Band Adjustments, Temporary Pays, Competitive Salary Offers)

Overview of a Pay Action Request Submission

School and department managers are required to explain why a classified or university staff pay action is needed by completing a [Pay Action Request Form \(PARF\)](#) and including necessary attachments justifying the request.

- Complete all numbered sections of the PARF (PARF Sections I-V); include attachments.
- Select one reason for the request (PARF Section III).
- Describe the importance of the position to the mission of the School or Department and University at large, and provide a justification (PARF Section IV).
- Obtain appropriate approval authorizations (PARF Section V).

Completed pay action forms and required attachments should follow the internal routing procedures and internal deadlines established within each School or Department for each type of pay action. Final Pay Action Request Forms and required attachments should be sent to University Human Resources Office of Compensation Management via messenger mail address: P.O. Box 400127, Michie South.

Effective dates of classified or university staff’s pay actions described in this document, if approved, will be determined on a prospective basis. Additional information concerning effective dates is available at UHR’s url:

<http://www.hrs.virginia.edu/Policies/comp/effdates.html>

In-Band Adjustments, Temporary Pays and Competitive Salary Offers are initiated at management’s discretion. Managers may submit In-Band Adjustments according to pre-determined quarterly schedules as authorized by University Senior Management. Temporary Pays and Competitive Salary Offers may be submitted on an as needed basis.

Pay action requests are not to be communicated to employees until official approval notification has been received from University Human Resources and Senior Management.

Managers should consider the following pay factors when recommending base pay adjustments:

Performance	Training, Certification, License, etc.
Organizational Business Need	Internal Salary Alignment
Budget Implications	Market Availability
Current Salary	Salary Reference Data

Duties & Responsibilities	Long-Term Impact
Work Experience & Education	Total Compensation
Knowledge, Skills, Abilities & Competencies	

To be considered for a pay increase, a classified or university staff employee’s performance must be at least satisfactory (“Contributor”) in all areas. In-Band Adjustments, Temporary Pays and Competitive Salary Offers require specific reasons to be approved other than “performance.” **A performance rating such as “Contributor” or “Extraordinary Contributor” or receiving “Extraordinary Contributor Acknowledgements” in and of itself is not a valid reason for proposing a pay action request.** *The Commonwealth of Virginia has a separate performance planning and evaluation process (<http://www.hrs.virginia.edu/ewp/default.html>) for classified employees in which performance increases are determined and authorized by the General Assembly and the Governor.*

How To Complete the PARF

PARF Section I – II

All fields must be completed in these sections. Data fields may be populated by information obtained via UVA/HRMS and the manager initiating the request.

PARF Section III

Select one request per form. If selecting IBA, select **only one** type of IBA. If IBA, method of payment must be also be checked indicating whether the increase will be a base salary adjustment or a one-time lump sum payment. Managers are required to indicate current salary, requested salary, effective date, amount of the requested increase, percentage of the requested increase, and must also list all previous IBAs received by the employee. The manager is required to indicate whether this pay action, if approved, would create adverse impact to other employees in the School or Department. If the answer to that question is yes, the manager should reevaluate whether requesting a pay action for this employee is appropriate. If so, the manager should provide a full explanation of why the pay action is needed and attach an IBA-Internal Salary Alignment Data Template located at <http://www.hrs.virginia.edu/compensation/classification/inbandtemplate.xls> identifying impacted employees.

PARF Section IV

Section IV. A. – Performance

The requesting manager is required to confirm that the employee’s performance is at least at the “Contributor” level (meets expectations/satisfactory) in **all** job elements/core responsibilities.

Section IV. B. - Organizational Business Need

Address the **organizational business need** of the position as it relates to the

organization's mission. Describe how the primary responsibility of the position contributes to the overall success of the school or department and to the University. It may be helpful to refer to the Employee Work Profile (EWP) Part II "Organizational Objective" or "Purpose of the Position" sections for a summary of the position's objectives.

Section IV. C. – Budget Acknowledgement Managers are required to indicate that there is sufficient funding to support this pay action request, if approved, for its duration. Has the manager considered the short and long-term impact to the budget and acknowledged that funding is available?

Section IV. D. – Justification Details/Required Attachments

Provide justification and required attachments specific to the pay action type requested.

All pay action requests referred to in this guide should include a: 1. Justification Detail; 2. a current Employee Work Profile/Parts I and II only (Please circle on the EWP any added/changed job duties, if relevant); and 3. a current Organization Chart (Please circle the employee's name being recommended for a pay increase).

The justification details should be explained in a one page or less attachment, addressing the questions or statements found below in "A Justification May Include" section for the type of pay action being requested. Managers may also address the long-term impact for taking action or the consequences for not taking action. Managers may describe the strategic and financial effect of anticipated future salary costs, staffing changes, salary alignment among employees, career growth, reorganization of business practices, mandated changes impacting outcomes or other relevant information if available.

In addition, requests for IBAs due to "Internal Salary Alignment" must include an "IBA-Internal Salary Alignment Data Template" located at <http://www.hrs.virginia.edu/compensation/classification/inbandtemplate.xls>. Also, requests for "Competitive Salary Offers" must include a copy of the external offer letter. *Note: Attaching EWPs and Organization Charts should not preclude school and department managers from the step of summarizing specific changes on the "Justification Detail" attachment.*

PARF Section V

Section V. – Authorizing Signatures

Please obtain authorizing signatures as necessary for each pay type.

Definitions:

Deferred – Pay actions that are not approved for the current pay cycle but may be reconsidered for a future cycle. Usually require additional information.

Not Approved – Pay action requests that are not approved for the current pay cycle.

Pay Action Types (referred to in this document)

In-Band Adjustments

An In-Band Adjustment (IBA) is a multi-faceted pay practice allowing agency management the flexibility to provide classified or university staff employees potential salary growth and recognized career progression within a pay band. A salary adjustment may be made within the employee's current pay band if one of the following criteria can be justified to the respective University of Virginia Vice President and approved in accord with the University of Virginia process established for IBA recommendations.

- **Application of New Knowledge, Skills, Abilities (KSA's) and/or Competencies from Education, Certification or Training**
- **Change in Duties and Responsibilities**
- **Internal Salary Alignment**
- **Retention**

IBAs are management-initiated and handled on a non-competitive basis. Employees may receive a 0–10% increase in base salary or a one-time payment within a fiscal year not to exceed the maximum of the pay band. IBAs are intended to be base pay increases. If funding is not available for future fiscal years, an adjustment may be made as a one-time lump sum payment.

Note: *Under no circumstances can an in-band adjustment be used to provide an internal competitive salary offer to counter an internal job offer.*

IBA Definitions and Suggestions for Developing a Justification:

(1) Application of New Knowledge, Skills, Abilities (KSA's) and/or Competencies from Education, Certification or Training – KSA's and/or competencies are the elements commonly listed for job requirements, hiring qualifications or employee credentials that correlate to successful job performance (applying the competencies to the job). Encourages and provides career growth and progression opportunities for the University's classified and university staff workforce.

A Justification May Include:

- Identifying whether the employee has completed specialized courses of instruction or obtained certification or licensure directly related to their work responsibilities (should be above and beyond the basic requirements of the position). *Note: It may not be considered “application of new knowledge...and/or competencies from...training” if the employee is required to obtain training to meet their job responsibilities. Example: An employee who accepts a new position in which Oracle Purchaser Responsibility training is required to perform the job. The Purchaser Responsibility training is a fundamental requirement and would not constitute a pay increase.*

- A list and description of specialized courses of instruction, certification, licensure or other relevant training recently received and a **description of how they are being applied to the job**. What work can the employee perform now that they could not before the training? *NOTE: Acquiring a degree or certification, while admirable and encouraged, may not be sufficient justification in itself to award a pay increase. The application of that knowledge to the job should be demonstrated. Also, consideration should be given to who paid for the education or certification. Did the University pay for the courses of instruction?*
- >An explanation of any **new** duties and responsibilities that are being performed as a direct result of the training/credential received, citing examples. **Circle new duties on the updated EWP.** *Note: It may not be considered “new duties” if the manner in which the work is performed changes due to modernizing the work environment, such as introducing new business technology. Example: An accountant whose work environment is modernized from a paper accounting system to a paperless accounting system. Changes in work flow or process may occur to accommodate the new technology, including employee training on the new technology, yet the primary and essential job duties/functions performed by the accountant remain relatively the same. An example of new duties that may be compensable: A Systems Analyst who has been assigned the additional responsibility of providing network security to the overall School or Department. He/she may have received specialized training in Network Security and is applying that knowledge directly to the job by implementing system security safeguards on a School-wide or Department-wide basis.*

(2) Change in Duties and Responsibilities -- An adjustment or modification in the primary and essential job duties/functions performed by an employee. Most often used by agencies to redesign and reconfigure work assignments and job responsibilities based on changes in organizational goals, technology, or staffing, resulting in new duties that are critical to the operations of the agency. Duties may be at the same level of responsibility or higher, yet would not warrant movement to a new Role with a higher pay band assignment.

A Justification May Include:

- A summary of job duty changes. What is the extent of the change in duties and responsibilities in comparison with former duties? Is it significant? Were former job duties removed to allow for the additional duties? If so, what was changed? How much approximate time did the employee spend performing the duties that were removed? Does the addition of new duties take approximately the same amount of time to perform as the duties that were removed (is the change balanced?), or is there a significant increase in the workload? Are the new duties more complex?
- A statement confirming that management has considered the salary, duties and responsibilities performed by this employee relative to other employees with

similar job responsibilities in the school or department. Would other employees be impacted by this action? If so, please describe.

- A distinction whether the changes result from new duties added, or volume increases.
 - If new duties have been added:
 - Please ***circle the new duties on the updated EWP.***
 - If volume has increased, does the increase result in a significant increase in overall workload? *An example of a volume increase may be a billing specialist who processed 10,000 transactions in 2004 but who processed 14,000 transactions in 2005 due to program growth. The nature of the work has not changed, but the volume has increased significantly.*

(3) Internal Salary Alignment -- A criterion that takes under consideration the proximity of one employee's salary to the salaries of others (usually within the respective School or Department) who have comparable levels of training and experience; similar duties and responsibilities; similar performance; and similar levels of expertise, knowledge, skills, abilities, and competencies. This pay practice is often used when an employee's salary is considerably lower relative to the salaries of co-workers who have the same or similar qualifications listed above.

A Justification May Include:

- Identifying the internal salary alignment issue. Why does it exist?
- A comparator group and why are they identified as comparators (comparators are usually within the respective School or Department)? What functional similarities exist in the comparator group relative to the employee being recommended for the pay increase? Please identify the comparator group using the "IBA-Internal Salary Alignment Data Template" located at <http://www.hrs.virginia.edu/compensation/classification/inbandtemplate.xls>. (Please list all appropriate comparators, not just those that are highly compensated.)
- An explanation of how the employee's salary/job-related credentials and experience compare to the salaries/job-related credentials and experience of the internal comparator group. *For example, can it be demonstrated that the request is to increase a salary of a highly experienced employee by showing that their salary falls significantly below that of those who have far less experience? (Note: Focus should be on actual relevant experience, not longevity)*
- An explanation regarding extreme high or low salaries that should be omitted from the comparator group and the reason for the exclusion. For example, was there an exceptional hire resulting in a high hiring salary due to the applicants' unique work experience, or other extenuating circumstances?
- A statement indicating potential impact from this request to other employees in this specific area/division/school or department that function in a similar capacity. Please identify individual(s) impacted, provide his/her salary(ies), and indicate why they would be impacted.

- A written acknowledgement of how this request, if approved, resolves or begins to resolve the internal salary alignment issue.

(4) Retention -- An adjustment to prevent employees from seeking employment outside the University in occupations that have high visibility in the labor market when salaries have not been as competitive with the marketplace. Typically, in-band adjustments for retention are granted to employees in a particular functional area to avoid turnover.

A Justification May Include:

- Explaining the criticality or value added of the job duties the employee is performing for the University.
- Identifying the employee’s skill sets that uniquely qualify him/her for their job duties and responsibilities within the University.
- The manager’s assessment of whether the above identified skills are in high demand and why. Are there other employees within the unit, school/department or University performing this type of work?
- Turnover statistics within the school or department to indicate there has been a problem with retention.
- Current recruitment statistics that may indicate recruitment difficulties in this unit, school or department.
- An impact statement of whether this action will affect others in the school or department. If so, please explain.

Temporary Pay*

Temporary pay (referred to as “Acting Pay” in HRMS) is a management-initiated temporary supplemental adjustment to an employee’s pay for assuming new duties and responsibilities on an interim basis. If duties and responsibilities assumed by the employee is in the same pay band, management can pay 0-10% above the employee’s current pay. If an employee assumes the duties and responsibilities from a role in a higher pay band, management can pay 0-15% above current salary. Temporary pays are authorized by University Human Resources usually for a period of up to three months.

A Justification May Include:

- A description of the employee’s new duties and responsibilities, specifying the reason for the Temporary (“Acting”) Pay request. Added duties and responsibilities should be significant, and ***circled on the updated EWP***.
 - If duties are being performed temporarily due to a vacant position, please provide the name of the former employee, position number, and date of resignation.
 - If duties are being performed temporarily due to the posting of a new position, please provide the position number of the new position.
 - Is the employee continuing to perform her/his current duties in addition to the new duties? If not, describe the duties and percentage of the workload that have been temporarily removed from the position.

*NOTE: The Federal Fair Labor Standards Act (FLSA) specifies that for classified and university staff employees whose FLSA exemption status is “non-exempt”, temporary pay must be included in the calculation of the employee's regular rate of pay for the purpose of determining the proper overtime rate. Example: John Doe is a non-exempt semi-monthly paid employee with an annual salary of \$20,000. He is approved for a 10% temporary pay for three months. If he works overtime during the three months in which he is receiving temporary pay, the amount of the temporary pay must be included in the calculation of the regular rate of pay to determine the proper overtime rate. Calculation: Annual Salary of \$20,000 plus annualized temporary pay of \$2,000 = \$22,000 / 2080 = \$10.58 per hour. The Overtime Time and Half rate would be \$10.58 x 1.5 = \$15.87.

Competitive Salary Offer

An opportunity to adjust a classified or university staff employee's base salary due to an offer of employment with a higher salary from an organization “external to the University of Virginia,” to include other state agencies. Management may propose a counteroffer up to the amount of the outside offer (not to exceed the maximum of the pay band) only after obtaining pre-approval from University Human Resources. ***Only University Human Resources has the authority to approve a competitive salary offer. Under no circumstances can a competitive salary offer occur for internal job offers.***

A Justification May Include:

- An explanation of the criticality of retaining the employee. How difficult would it be to replace the employee's knowledge, skills, abilities, and competencies?
- A statement regarding the impact on agency operations should the employee leave. How critical is the position's objective to the mission of the School or Department and to the University?
- A copy of the actual external salary offer letter (must be included as an attachment to the PARF).

Related Forms

- [Pay Action Request Form](#)
- [IBA Internal Salary Alignment template](#)

Contact Us

Questions regarding the use of classified or university staff pay practices should be directed to the respective School or Department Human Resource Office, or to central [University Human Resources Office of Compensation Management](#) at 243-2204 or 924-4366 / 4747 / 7154.