

- Attracting and retaining the best and brightest employee/candidate;
- Evaluating and monitoring pay and classification systems to allow the University to be internally equitable and externally competitive.

The compensation program will use publicly available surveys, directed surveys, and other appropriate information to keep the program competitive with industries and organizations with whom the University competes for human talent. Collectively bargained rates of pay will form a part of the overall compensation program.

Following are descriptions of the four (4) types of pay systems in place at the University:

Merit Increases

A merit increase is linked to an assessment of an employee's work performance during the preceding performance appraisal period. The amount of the merit increase will vary, depending upon the performance rating given to an employee. For example, an employee receiving a performance rating of "2" may receive a 1.5% merit increase and the employee receiving a performance rating of "3" may receive a 2.5% merit increase.

General Increases

These "across-the-board" or "cost of living" increases – influenced by the inflationary rate – are given as a specific percent (2%) of an employee's hourly rate, or dollar amount (\$2.50) and added to an employee's hourly rate.

Step Adjustment

Step Adjustment is a system where salary progresses through established steps within a salary range. For example, Step 1: \$20.00, Step 2: \$20.50, Step 3: \$21.00, Step 4: \$21.50 and Step 5: \$22.00. Step movement is normally based on years of experience or anniversary dates – satisfactory job performance may also be a criterion.

Job Rate

The job rate system aligns salary scales with the market and is intended to ensure that existing employees are paid at rates above new hires. It was created as a result of union negotiations with the Teamsters and is used for each classification in the Teamsters union contract – technical, service, paraprofessional and clerical. Job rate systems are also in place for Operating Engineers and Security Officers.

After external market data is extensively reviewed to set competitive job rates, a benchmark rate of pay is then established for the classifications. The Job Rate system comprises: (1) a probationary rate, (given upon hire); (2) a job rate (given when probation is successfully completed); and, (3) a two (2) year rate (given upon two year's of service).

V. POLICY

1. It is the policy of UMDNJ to adjust the salaries of staff employees who have been promoted (i.e., a position has been posted online by the Human Resources Generalist for which an employee bids and is accepted as the selected candidate), reclassified (an existing position that has been re-evaluated, which may result in upgrade, lateral change or downgrade), or demoted (returned to a former job or assigned to a job title with a lower salary range). Salary adjustments for promotions, reclassifications or demotions will vary based on the classification of the position.
2. Salaries for employees covered under collective bargaining units are governed by the bargaining unit agreements.

