

# Washington University in St. Louis

## Compensation Program – Base Salary and Variable Pay Administration

March 29, 2016

### Overview:

Washington University (WU) is committed to providing a comprehensive total compensation program to attract, retain and reward highly qualified and diverse faculty and staff employees. To achieve this goal, we designed our compensation program to ensure:

- To ensure the program is externally competitive in relevant labor markets and internally equitable.
- To promote sound pay administration and practices in compliance with all applicable laws and contractual agreements
- To emphasize alignment with employee efforts in support of the University's mission and goals.

Much of the salary and wage administration process takes place within the Office of Human Resources, however, it is the responsibility of the Deans, Department Heads, Vice Chancellors, Business Managers and other members of management to support equitable application of salary administration within the University. The Office of Human Resources is responsible for working with the university and school administration to develop and administer compensation standards, for example,

- Determining salary ranges and recommending any changes in salary structures necessitated by internal or external conditions;
- Establishing job classification methods and ensuring that positions are classified properly, including assigning exempt/nonexempt status to jobs;
- Working with the Office of the Executive Vice Chancellor and General Counsel to ensure compliance with pertinent laws and regulations as they apply to compensation;
- Communicating and monitoring adherence to salary increase guidelines;
- Submitting certain salary increase recommendations to University management for approval

Compensation at Washington University may include two major components:

### 1) Institutional Base Salary <sup>1</sup>

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<sup>1</sup> Includes both the "x" (minimum base) and "y" (supplement) pay components found in the School of Medicine faculty compensation plans

## 2) Variable/Additional Pay

- 1) ***Institutional Base Salary (IBS)*** – is the annual compensation paid by the University for an employee’s appointment whether that employee’s time is spent on research, teaching, patient care or other activities. In general, the IBS is established by each School/Department in consideration of the employee’s performance, relevant skills, job experience, external labor market, internal equity, WU published salary ranges and budgetary constraints. IBS includes base salary and annual supplementary salary components (such as additional administrative responsibilities) but excludes bonus, honorarium and productivity incentive payments.

Types of IBS Earnings Codes/Definitions include but are not limited to:

**REG** (Regular): Payment for work performed as outlined in new hire agreement or job description

**RGA** (Regular Additional): Payment for additional duties/responsibilities for a limited time period as determined by the business unit; usually for less than 1 year

**CRG** (Regular Pay -- Academic Year):

**ACA** (Academic Pay Adjustment): Contract Pay Adjustment used primarily for Danforth campus departments for various adjustments to academic pay such as a reduction for sabbatical

**LUM** (Lump Sum in Lieu of Raise): Payment made in lieu of a merit increase when salary exceeds range maximum.

**SRR** (Summer Research): Payment for conducting research outside of the academic year

IBS for an employee will include 1 or more of these earnings codes during a fiscal year. Additional information regarding staff compensation guidelines can be found on the Office of Human Resources website ([hr.wustl.edu](http://hr.wustl.edu)). For additional information regarding faculty compensation standards, contact the School’s Administrative office. Information regarding base salary paid from sponsored projects can be accessed on the SPA website ([webaddress](#)).

- 2) ***Variable/Additional Pay*** – In addition to base pay, Schools/Departments have the flexibility to provide variable pay opportunities for reasons that include, but are not limited to, the following:
  - a. reward exceptional performance
  - b. reward the achievement of a specific goal

- c. compensate for completion of a specific, short-term project outside of regular responsibilities
- d. compensate for taking on additional duties on an interim basis for an open position
- e. provide retention bonuses to incent the employee to stay with the University for a specified length of time

See Appendix A ([webaddress](#)) if you intend to provide additional pay under federal grants.

This is compensation provided which is above and beyond the IBS. (Include a statement on parameters of when to use and not use additional pay). All opportunities to receive variable pay must be reviewed and approved within each School/Department prior to the payment being issued.

Types of Additional/Variable Pay Earnings Codes Include but are not limited to:

**ADV** (Advisor Pay): Payment for work as a 4-year advisor to undergraduate students outside of regular responsibilities;

**BON** (Bonus/Incentive): Payment to recognize outstanding performance or accomplishment of predetermined criteria

**CON** (Consultant Fees): Payment to employees for functioning in a consulting position in area of expertise outside of regular appointment

**HON** (Honorarium): Payment made for work such as seminars, evaluation and committee service; typically for 1 month or less duration

**LEC** (Lecture Fees): Payment made to a visiting lecturer or to a faculty member for giving lectures on ongoing basis

**MOO** (Moonlighting): Used for Clinical Fellows when Fellow is being paid wages for work above and beyond their Clinical Fellow duties or when a Clinical Fellow is being paid for services performed. Also used for appropriate clinical staff including nurses and nurse practitioners.

**OLD** (Overload): Payment to full-time employees for teaching additional courses beyond regular course load

**PRO** (Project Pay): Payment made to an employee for completing a project, not an ongoing payment. Payment stops when project is complete.

**PRI** (Prize/Award - Cash Payment): Payment for a one time award or cash gift

See HRMS Query Manager (query name: WP\_DP\_EARNINGS\_CODES) for a comprehensive list of earnings codes.

Additional information or questions regarding earnings codes should be directed to:

Medical School campus:

Tom Kraft, Director, Compensation, 362-7202, [kraftt@wustl.edu](mailto:kraftt@wustl.edu)

Tammy DeBeaux, Manager, HR Operations, 362-6962, [debeaux@wustl.edu](mailto:debeaux@wustl.edu)

Danforth campus:

Donna Boehne, Manager, Compensation, 935-8727, [donna\\_boehne@wustl.edu](mailto:donna_boehne@wustl.edu)

Georgiann Kegel, HR/Faculty Records Manager, 935-5949, [gkegel@wustl.edu](mailto:gkegel@wustl.edu)

Issued by: \_\_\_\_\_

Date: \_\_\_\_\_