 <b>NORTHEAST OHIO MEDICAL UNIVERSITY</b>	<b>Policy No: 3349-7-20</b>  <b>(HRG)</b>
<b>POLICY TITLE: Compensation Program</b>	<b>EFFECTIVE DATE:</b> <b>July 1, 2007</b>  <b>REVIEWED AND UPDATED:</b> <b>February 1, 2026</b>
<b>RESPONSIBLE DEPARTMENT: Human Resources</b>	<b>General Personnel</b>

**(A) PURPOSE**

To establish a Compensation Program Policy.

**(B) SCOPE**


This Policy applies to administrative staff, unclassified hourly employees, and classified civil service employees.

**(C) DEFINITIONS**


- (1) Consult University Policy No. 3349-7-01.
- (2) "Classification System" is a method of systematically organizing Job Families.
- (3) "Compensation Program" is a method of systematically organizing the Pay Grades.
- (4) "Job Families" are groups of positions with similar duties with varying levels of responsibility, authority, qualifications, and Pay Grades.
- (5) "Compensation Plan" (the "Plan") is a method of systematically determining Employee compensation.
- (6) "Pay Grades" are a continuum of salaries from minimum to maximum. Assignment within a Pay Grade is the responsibility of the Compensation Specialist and the Executive Director of Human Resources.

**(D) POLICY STATEMENT**

- (1) Compensation Program

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- (a) Employee compensation is a Human Resources function. Design and administration of staff compensation systems will be conducted by Human Resources.
  - (b) The factors used to determine the assignment of a position to a given Pay Grade and placement within that Pay Grade include, but are not limited to:
    - (i) Knowledge and experience;
    - (ii) Complexity and creativity;
    - (iii) Impact on the University’s Mission;
    - (iv) Budget management and responsibility;
    - (v) Supervisory responsibility;
    - (vi) Amount of independent judgment exercised; and
    - (vii) Physical demands and working conditions.
- (2) Annual review of Pay Grades
- (a) The Executive Director of Human Resources will annually review the Pay Grades and determine if revisions are necessary. If revisions are necessary, the Executive Director of Human Resources will consult with the Executive Management Team (“EMT”) to make appropriate revisions. The Executive Director of Human Resources will revise the Pay Grades as approved by the EMT.
  - (b) Human Resources will periodically review job placements within applicable Pay Grades to ensure continued alignment, as needed.


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(3) Compensation Plan Administrator

- (a) The Compensation Plan Administrator is the Executive Director of Human Resources, who will:
  - (i) Evaluate positions for accurate placement within Job Families and Pay Grades;
  - (ii) Maintain a master set of position descriptions;
  - (iii) Maintain the Classification System and Compensation Program; and
  - (iv) Periodically review and update the Classification System and Compensation Program and recommend revisions to the University.

(4) New Appointments and New Hire Offers

- (a) Only the Office of Human Resources may issue a binding written offer of employment that includes a compensation amount and a start date. Employment offers may be recommended by the Immediate Supervisor, but all compensation provided in the offer must be approved by the Executive Director of Human Resources and the Vice President or Senior Vice President of the applicable division.
- (b) Requests to evaluate newly created positions will be processed as needed by Human Resources and as approved during the zero-based budget cycle.
- (c) An Employee who is appointed to a new position in a higher Pay Grade must be brought up to the minimum of the new Pay Grade. The amount of the increase will be determined by the Compensation Specialist, who will consider budget, qualifications, experience, and internal equity.

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(d) Employees will be notified of the effective date of transfer, new appointment, and rate of compensation by the Hiring Manager.

(5) Lateral Transfers

(a) If an Employee makes a lateral transfer from one appointment to another within the same Pay Grade, the Compensation Specialist will consider budget, qualifications, experience, and internal equity to determine if a pay increase is appropriate and in what amount.

(b) Employees will be notified of the effective date of transfer, new appointment, and rate of compensation by the Hiring Manager.

(6) Annual Compensation Increases


(a) The President will, if appropriate and as part of the annual budget for the University, recommend to the Board of Trustees a compensation adjustment to base compensation and/or a one-time payout for all eligible Employees as applicable and as defined in the current Compensation Plan, based on the Employee's classification. Annual merit increases will be based on individual performance, and any employee who is on a written performance improvement plan will not be eligible for a merit increase.

(b) Employees who have received a compensation increase for any reason within ninety (90) days of the effective date of the merit increase are not eligible for any additional increase.

(c) New hires with a start date on or after January 1 are not eligible for merit increases in the fiscal year beginning on July 1 of that same year.

(d) Employees whose positions are grant or external contract funded, may not be eligible for such increases based on available funding.

(e) Employees will be notified of the amount of \increase and the effective date of the increase by the Office of Human Resources.

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(7) Reduction in Compensation related to Demotion

- (a) Employees who are demoted may have their compensation reduced. The amount of reduction will be determined by the Immediate Supervisor in consultation with the Executive Director of Human Resources. The Employee will be notified of the amount of compensation reduction and the effective date of the reduction by the Executive Director of Human Resources.

(8) Position Reclassification

- (a) When the existing duties and responsibilities of a position are significantly expanded or reduced, the Executive Director of Human Resources, in consultation with the Immediate Supervisor, will review an amended position description and determine if an Employee's rate of compensation or Pay Grade should be adjusted. The Employee's performance level and date of last or next scheduled increase will be considered. Human Resources will notify the Employee of any change in the rate of compensation or Pay Grade.
- (b) On rare occasions and due to a reorganization of a department, occupied or vacant positions may be reclassified if supported by the department structure and body of work. A demonstrated increase or decrease to the scope and complexity of the primary duties will be required.
- (c) Any request for reclassification should be completed by the Immediate Supervisor, approved by the Vice President/Department Head/Dean, and approved by the Senior Vice President of Operations and Finance and/or the Provost prior to submission to Human Resources.
- (d) The updated job description will be reviewed, and Human Resources will determine whether a reclassification is appropriate based on the duties and responsibilities. If so, the new Pay Grade will be based on the change in duties and responsibilities. As appropriate, the job may be assigned a new job title. Compensation for the reclassification will be determined by the Compensation Specialist, who will consider budget, qualifications,

experience, and internal equity. All proposed reclassifications will be reviewed and approved by the Executive Director, Human Resources. Following approval, Human Resources will be responsible for communicating the new information to the job incumbent(s).

(9) Compensation Concerns

- (a) Employees with questions or concerns regarding their rate of compensation should discuss the matter with their Immediate Supervisor and Department Head.