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## Compensation Policy

The university desires to provide compensation that will attract and retain personnel qualified and capable of contributing to its operation and mission. The university endeavors to maintain internal and external salary equity. The system for determining individual salaries conforms to accepted compensation practices.

The Academic Vice President's office administers faculty salaries. Human Resource Services administers administrative and staff salaries, and student wages. All faculty salary actions require prior approval from the Academic Vice President's office. All administrative and staff salary actions require prior approval from Human Resource Services. The university is not responsible for salary commitments made without these authorizations.

BYU is a private university, and university budget and compensation information is private and confidential. Employees are entitled to keep their own compensation confidential from others but may disclose their own compensation.

Access to budget or compensation information held by the university must be restricted to authorized university employees only, and authorized employees may only use the information for authorized purposes. An employee who fails to keep budget information confidential may be the subject of university disciplinary action.

The university will not discharge or in any other manner discriminate against employees or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of another employee or applicant. However, authorized employees who have access to the compensation information of other employees or applicants as part of their essential job functions cannot disclose the pay of other employees or applicants to individuals who do not otherwise have access to compensation information unless the disclosure is (1) in response to a formal complaint or charge, (2) in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the university, or (3) consistent with the university's legal duty to furnish information.

### Faculty Salaries

The Academic Vice President's office annually reviews faculty salaries. This office considers additional increases, the comparability of present salary with the compensation of others of equal rank or assignment, accomplishments, and qualifications. Salary increases are made on the basis of merit, reflecting the total contribution made to the university in quality of performance. As part of salary administration, BYU obtains salary survey information from universities of similar size and type.

Department chairs are responsible for making salary recommendations to the deans for faculty members within their departments. They make these recommendations after the deans receive



budget guidelines from the Academic Vice President. Deans then review the salary increase recommendations of the department chairs. The Dean reviews all salary recommendations with the Academic Vice President. After considering the chair and dean recommendations, the Academic Vice President finalizes faculty salary increases. The Faculty Compensation Office prepares letters of appointment signed by the Academic Vice President. The letters go to the deans for review and are distributed to faculty members through the department chairs.

### **Administrative/Staff Salaries**

Departments are responsible for keeping their position descriptions current. All position titles require approval by the Compensation Department before use. In addition, the Human Resource Committee must approve the titles of Executive Director, Managing Director, and Director.

Human Resource Services establishes salary ranges for administrative and staff positions. Within each range, starting salaries are based on the experience and education of the applicant. When an employee is promoted to a higher-level position, departments should contact their Human Resource Consultant to discuss appropriate salary adjustments. If an employee is given significantly different responsibilities, an updated position description should be submitted to Human Resource Services for evaluation.

The Annual Salary Review process (salary increases) is conducted annually, and approved increases are effective at the beginning of the academic year. Deans and directors should relate the annual salary increases to employee performance.

### **Impermissible Pay Docking**

In order for an employee to qualify as administrative (or “exempt”) under the Fair Labor Standards Act (FLSA), the employee must receive a predetermined wage each pay period. The law prohibits the employer from docking the pay of an administrative employee because of the “quality or quantity” of the work. This prohibition means that, except for the permissible pay docking circumstances outlined below, an administrative employee at the university must receive a full weekly salary when any work is performed during the week (the number of hours or days worked is immaterial) and when work is unavailable but the employee is ready, available, and able to work.

### **Permissible Pay Docking**

In accordance with applicable law, the university may make deductions to the salary of an employee considered administrative under the FLSA

- when the employee is absent for one or more full days for personal reasons;
- when the employee is absent for one or more full days for sickness or disability and the university has a plan that compensates the employee for lost salary;



- to offset the amount the employee receives from jury service, witness fees, or for military pay;
- to impose a penalty in good faith for the violation of safety rules of major significance;
- for unpaid disciplinary suspensions of one or more full days imposed in good faith for infractions of workplace rules of conduct;
- for unpaid leave under the Family and Medical Leave Act; and
- during the first or last week of employment if the employee does not work a full week.

[Approved 1 February 2016; Prior version 15 August 2011]

**APPLICABILITY:** This policy applies to all university organizations and personnel.

**IMPLEMENTING PROCEDURES:** <http://www.byu.edu/hr/procedures/salary-system>

**RESPONSIBLE UNIVERSITY OFFICERS:** Chief Financial Officer and Administrative Vice President (for administrative and staff positions); Academic Vice President (for faculty positions)

**RESPONSIBLE UNIVERSITY OFFICES:** Human Resource Services, Compensation (for administrative and staff positions); Associate Academic Vice President (for faculty positions)

**RELATED UNIVERSITY POLICIES:**

- [Supplemental Compensation for Administrative Employees Policy](#)
- [Supplemental Compensation for Faculty Policy](#)
- [Supplemental Research Compensation for Externally Sponsored Work](#)