

**R941-1. Purpose:** To provide a guiding policy for staff compensation at the Commissioner's Office (OCHE).

## R941-2. References

- 2.1. Utah Code [§53B-1-106](#) (Appointment of Commissioner's Staff)
- 2.2. The Fair Labor Standards Act <http://www.dol.gov/dol/compliance/comp-flsa.htm>
- 2.3. The Equal Pay Act <http://www.eeoc.gov/policy/epa.html>
- 2.4. Title VII of the Civil Rights Act of 1964 <http://www.eeoc.gov/policy/vii.html>

**R941-3. Policy:** OCHE maintains a Staff Compensation Program consistent with Title VII of the Civil Rights Act, the Equal Pay Act, the Fair Labor Standards Act and other Federal, State and State Board of Regents regulations.

### 3.1. Fair Labor Standards Act

**3.1.1. Exemption Status:** OCHE employees are subject to the requirements of the Fair Labor Standards Act. Human Resources shall evaluate each job and determine which jobs satisfy the Fair Labor Standards Act exemption tests. The determination of exemption status shall be made based on the duties and responsibilities of the job.

**3.1.2. Minimum Wage:** OCHE pays at least the current Federal minimum wage to all employees.

**3.1.3. Work Hours:** The workweek at OCHE begins at 12:01 a.m. Saturday and ends at midnight the following Friday. Each employment unit establishes standard hours of operation and schedules employees accordingly. Employment units shall provide unpaid meal breaks and paid rest periods as appropriate.

**3.1.3.1.** Meal breaks are unpaid as long as the employee is completely relieved from duty (uninterrupted by work) for a period of at least 20 minutes.

**3.1.3.2.** OCHE practice supports paid rest periods (breaks not to exceed 15 minutes) for non-exempt employees. Rest periods may not be saved for later use, or used to compute additional pay.

**3.1.4. Overtime/Compensatory Time:** An employment unit may require employees to work overtime; however, supervisors will keep overtime hours to a minimum. OCHE provides overtime pay or compensatory time off to non-exempt employees whose work exceeds 40 hours in a workweek. Employees shall obtain their supervisor's approval prior to working overtime hours. Employees who do not obtain approval prior to working overtime hours may be subject to disciplinary action.

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<sup>1</sup> Adopted July 19, 1983, amended June 4, 1999. Replaced R941, R920 and R921 March 18, 2005.

**3.1.5. Record Keeping:** Each employment unit maintains accurate time and attendance records for all employees within the unit. Non-exempt employees must record the total number of hours actually worked each day including start and stop times. Exempt employees are expected to work a minimum of 40 hours a workweek and must record absences on an exception time reporting basis.

**3.1.6. Employment of Minors:** Employment of persons under the age of 18 is governed by the Fair Labor Standards Act.

**3.2. Job Analysis and Evaluation:** Individual positions are reviewed by Human Resources and grouped with other similar positions wherever possible. The groups of positions, known as jobs, are documented, evaluated, and assigned to a salary grade. Job analysis and evaluation takes place at the request of Human Resources or the unit administration and requires review by the cognizant associate commissioner. Information that results from the job evaluation program is used to promote compensation equity and consistency across OCHE.

**3.3. Pay Guidelines:** OCHE ensures that all employees are compensated fairly.

**3.3.1. Pay Adjustments:** Pay increases are generally given as part of the annual budget cycle and implemented at the start of the fiscal year. Human Resources, together with the employment unit administration, examines issues that arise outside the annual budget cycle. All off-cycle salary adjustments receive review and approval from the cognizant associate commissioner. Some examples of issues that may be addressed off-cycle are the following:

**3.3.1.1. Transfers and Reclassifications:** Employees who are promoted or advanced may be eligible for a pay increase in connection with the transfer or reclassification; however, employees whose transfer or reclassification results in a lateral move or demotion shall not receive a pay increase in connection with the action and may receive a pay decrease as determined by the employment unit administration.

**3.3.1.2. Market Adjustments:** Human Resources collects and analyzes market data for common jobs, also known as benchmark jobs, on an ongoing basis. Periodically, a job may be moved to a different pay grade. Human Resources may recommend that market adjustments be given to employees in affected jobs.

**3.3.1.3. Other Salary Adjustments:** Employee retention issues related to competitive offers, critical market conditions or resolution of employment unit salary inequity are additional reasons for off-cycle salary adjustments. Off-cycle salary adjustments shall not be used to reward performance. Merit adjustments are awarded through the annual budget cycle.

**3.3.2. Pay Additives:** Pay additives shall be given in addition to an employee's regular pay for specific reasons as described below. Pay additives do not increase the employee's base pay.

**3.3.2.1. On-Call and Callback:** OCHE compensates non-exempt employees who are required to remain on-call and/or who are called back to work.

**3.3.2.2. Pay Differentials:** OCHE may provide a pay differential for hours worked in the capacity for which the differential was implemented. Human Resources shall establish differential rates. The use of pay differentials is limited to areas that have been pre-

approved by Human Resources, employment unit administration and the cognizant associate commissioner.

**3.3.2.3. Additional Compensation:** Additional compensation may be used to compensate exempt staff employees for additional temporary efforts or assignments that significantly deviate from the job's normal expectations.

**3.3.2.4. Bonus/Incentive Compensation:** OCHE may authorize the use of bonus payments to compensate staff employees as a part of a documented performance management program. The use of bonus payments is limited to areas that have been pre-approved by Human Resources, the employment unit administration and the cognizant associate commissioner.

**3.4. Exceptions to Policy:** Exceptions to the staff compensation policy require the approval of the Director of Human Resources.