

1. HIRING RATES OF PAY

- A. **Exempt Employees:** Entry salary for exempt employees is negotiated by the hiring supervisor with the prospective employee, based on the job-related education, skills and experience, using the exempt salary schedule as guidance. The supervisor must obtain prior approval from the appropriate dean, director, vice president or community college equivalent, and the Office of Human Resource Services.
- B. **Nonexempt Employees:** New employees are typically hired at entry level of the appropriate grade. With justification and prior approval appropriate dean, director, vice president, and the Office of Human Resource Services, certain applicants may be hired at 5 percent or 10 percent above the entry level dependent upon experience. Employees hired above entry level are not eligible for an end of probation increase. Adjustments may be made to the in-hire rate for positions or in areas that require a higher rate to be set competitive with the local market. (See **ARP 7.10** Part 2 Area Differential) The salaries of all employees occupying nonexempt positions are based on the grade set by the specification in the university job classification and the current salary schedule. No employee will be paid less than the minimum set for the employee's grade in the salary schedule. Classification specifications are standardized descriptions of the characteristics, duties, and minimum qualifications for a group of positions. The qualifications statement in each classification specification establishes minimum requirements that are to be met by an individual before being considered for appointment or promotion. Combinations of education and experience are specified in the classification specification. Other combinations, if deemed equivalent by the Office of Human Resource Services, may qualify an individual for appointment or promotion. Employees may be required by their supervisor to perform duties outside their classification specification on a temporary basis. A supervisor who determines that the standard classification specification does not accurately describe a position should initiate reclassification action (See **ARP 7.52 Staff Reclassification**).
- C. **Temporary Nonexempt Employees:** Temporary nonexempt employees are typically hired at the entry level of the appropriate grade on the salary schedule, unless job qualifications and experience warrant otherwise, with prior approval from the Office of Human Resource Services, and remains at the in-hire rate unless the salary schedule changes. If the salary schedule changes, the salary will be adjusted accordingly. If the salary schedule does not change, an appropriate base adjustment may be awarded. Temporary employees are paid on an hourly basis. Temporary nonexempt employees are not eligible for insurance coverages or benefits.
- D. **Temporary Exempt Employees:** Temporary exempt employees are typically hired at entry level of the appropriate grade on the exempt salary schedule, subject to negotiation based on job qualifications and experience consistent with the Exempt Compensation Guidelines, by the hiring supervisor with prior approval from the Office of Human Resource Services. (See **ARP 7.20 Staff Overtime Pay or Compensatory Time**) Exempt temporary employees are not eligible for insurance coverages or benefits.

2. WAGE INCREASES FOR NONEXEMPT EMPLOYEES

Wage increases are contingent upon the availability of funding, typically determined each year after the Board of Regents has approved the annual budget and the New Mexico legislature

has appropriated funds for the operation of the university. All budgetary matters are subject to review and approval by the Board of Regents. If the Legislature specifically allocates funds for wage increases, they will be implemented. Subject to legislative appropriation, wage increases are administered each year in accordance with the following guiding principles:

- A. **Employee Earning Less than \$30,000.:** All eligible employees whose base salary is less than \$30,000 prior to the increase will receive a full 5% wage increase.
- B. **Employees Earning More than \$30,000.:** For eligible employees whose base salary is \$30,000 or more prior to the increase, a percentage of the wage increase will be added to each eligible employee's salary as a cost of living base adjustment. Organizational units will be allocated a block of funds for the remaining percentage of the wage increase for performance adjustments to such eligible employees, to be distributed at the unit's discretion as justified by performance evaluation ratings.
- C. **Employees Hired After March 31:** Employees hired after the immediately preceding March 31 are not eligible for a July 1 fiscal year wage increase.
- D. **Employees Hired After January 1:** Employees hired after the immediately preceding January 1 are not eligible for a performance adjustment based on the Spring performance evaluation.
- E. **Employees on Leave of Absence for Six Months:** Employees in a non-working leave of absence status for six (6) months or more during the preceding review period are not eligible for a performance adjustment.
- F. **Employees with Unsatisfactory Performance Evaluations:** Employees rated an overall "needs improvement" or "unsatisfactory" on the immediately preceding annual performance evaluation are not eligible for a performance adjustment.

3. SALARY ADJUSTMENTS FOR EXEMPT EMPLOYEES

Salary adjustments for exempt employees are contingent upon the availability of funding, typically determined each year after the Board of Regents has approved the annual budget and the New Mexico legislature has appropriated funds for the operation of the university. All budgetary matters are subject to review and approval by the Board of Regents. Salary adjustments and period of assignment are approved on an individual basis by the Office of Human Resource Services consistent with the Exempt Compensation Guidelines. Salary adjustments based on promotion or other equitable factors will be processed in accordance with the rules below.

4. TEMPORARY ASSIGNMENT

- A. **Higher Grade:** An employee who is temporarily assigned to perform duties of a position in a higher grade, for a period in excess of 1 calendar month will be assigned a salary in the higher grade in accordance with the rules for promotion (See **ARP 9.10 – Staff Internal Promotion Process**) from the first day of the assignment. To be assigned to perform the interim position of the higher job classification, the employee must meet minimum qualifications for the position. If there are no qualified employees, the duties may be reassigned to one or more employees.
- B. **Lower or Lateral Grade:** The employee will not receive any adjustment in pay.

C. **Temporary Assignments:** Temporary assignments typically do not exceed one calendar year.

5. RATE OF PAY ON DEMOTION (VOLUNTARY OR INVOLUNTARY)

A. **Nonexempt Employees:** When a nonexempt employee is demoted or accepts a position in a lower grade, a salary rate will be the greater of either (1) five (5) percent above the entry level for the lower grade position; or (2) the following applicable percentage decrease in pay from the prior position:

1. 5 percent decrease if the demotion is one pay grade lower
2. 8 percent decrease if the demotion is two or three pay grades lower
3. 15 percent decrease if the demotion is four or more pay grades lower
4. 5 percent decrease per pay grade thereafter

B. **Exempt Employees:** Recommendations for exempt salary rates should be submitted to the Office of Human Resource Services in accordance with the Exempt Compensation Guidelines.

6. RATE OF PAY ON VOLUNTARY LATERAL TRANSFER

A lateral transfer, meaning a transfer to the same grade of the salary schedule, does not affect the salary.

7. RATE OF PAY FOR PROMOTION, EQUITY OR BASE ADJUSTMENT

A. **Nonexempt Employees (Non-probationary):** The pay rate for the higher position will be the greater of either: (1) five (5) percent above the entry level for the new position's pay grade; or (2) the following applicable percentage increase in the pay grade of the prior position:

1. 5 percent if new position is one pay grade higher
2. 8 percent if the new position is two or three pay grades higher
3. 15 percent if the new position is four or more pay grades higher

B. **Exempt Employees:** Exempt employees may receive an internal promotion, equity or base adjustment, consistent with the Exempt Compensation Guidelines. Internal promotions typically will not exceed an increase of more than two grades. Equity adjustments may be considered dependent upon availability of funding for exempt employees. Internal and external market comparisons are reviewed when considering equity adjustment requests.

C. **Nonexempt to Exempt:** A nonexempt employee being internally promoted to an exempt position may receive a salary increase in accordance with the Exempt Compensation Guidelines.

8. RATE OF PAY ON RECLASSIFICATION

Temporary and probationary employees are not eligible for reclassification. (See [ARP 7.52 – Staff Reclassification \(Part 1. B.\)](#))

A. Nonexempt Employees:

1. The pay rate for the higher position will be the greater of either:
 - a. five (5) percent above the entry level for the pay grade of the new position; or
 - b. the following applicable percentage increase in the pay grade from the prior position:
 - i. 5 percent if new position is one pay grade higher;
 - ii. 8 percent if the new position is two or three pay grades higher; or
 - iii. 15 percent if the new position is four or more pay grades higher.
2. A nonexempt employee reclassified to an exempt position may receive a salary increase in accordance with the Exempt Compensation Guidelines.
3. Reclassification to a distinct classification within the same pay grade will not affect the salary. An adjustment in classification by the Office of Human Resource Services which results in change of grade or elimination of title may or may not result in a salary change. Decisions regarding such changes will be made on a case-by-case basis.

B. Exempt Employees: Exempt employees may receive a salary increase in accordance with the Exempt Compensation Guidelines. Salary increases based on a reclassification typically do not exceed an increase of two grades. (See [ARP 7.52 – Staff Reclassification \(Part 1.G.\)](#))

9. RETROACTIVE PAY ADJUSTMENTS

Retroactive payment may be made back to the day of the calendar month in which the general pay adjustment was approved. Example: an employee granted a pay adjustment effective April 26 did not receive the increase due to an error discovered on June 15. The retroactive adjustment may be made back to April 26, the date the adjustment was approved. Salary adjustments may not pass beyond fiscal year dates without specific approval of the assistant vice president for human resource services. If an employee is overpaid due to administrative error, the employee will be responsible for reimbursing the university for the overpayment.

10. THREE-YEAR LONGEVITY INCREASE

Nonexempt employees who satisfactorily complete their initial three consecutive years of service will be awarded a five percent (5%) pay increase effective on the employee's anniversary date. Temporary employees are not eligible for the three year service award. Prior service with a break in employment in excess of five working days is not credited toward the 3 years of service. Except for family medical leave, non-working time in leave without pay status will not be included as service time.

11. SERVICE INCREASE

Regular nonexempt employees may receive a service increase upon satisfactory completion of 10, 15, 20, 25 and 30 years of regular consecutive service.

- A. **Effective Date of Increase:** The increase will be effective on the first day of the month after the anniversary date (i.e.; if the anniversary date is January 13, the award will be effective February 1).
- B. **Amount of Increase:** The increase will be \$750 after 10 years; \$850 after 15 years; \$1,000 after 20 years; \$1,300 after 25 years; and \$1,500 after 30 years to be prorated for less than full time employees).
- C. **Timing for Increase:** The increase may not be retroactive, with exception of correction as a result of administrative error.
- D. **Service Increase Subject to Satisfactory Job Performance:** The increase is subject to satisfactory performance as documented in the majority of performance evaluations.

12. DAILY MAXIMUM HOURS OF EMPLOYMENT

No employees, other than fire fighters, law enforcement officers, dispatchers, or farm or ranch hands, whose duties require them to work longer hours, or employees primarily in a standby position, are required to work more than 16 hours in any 24-hour period, except in emergency or special situations.

13. DEDUCTIONS FROM PAY

Supervisors are not authorized to dock an employee's pay, except as authorized by Human Resource Services in accordance with applicable law and university policy and procedures.