

Glossary of Terms

TERM	DEFINITION
Annual Salary	The total base salary paid to an individual during a given year. For hourly employees, this equals the hourly rate times total hours worked. For salaried employees, the annual salary is negotiated ahead of time and does not change based on number of hours worked.
Annualized Salary	The total annual pay that a position would receive were it full time. This is usually based on the full time equivalent hours for the specific business unit or organization and equates to pay per pay period times number of pay periods in a calendar year.
Base Salary	The salary an employee receives before any extra compensation or incentives are included.
Career Path	The progression of jobs in an organization's specific occupational fields (within a job family/sub family) ranked from lowest to highest in the hierarchical structure.
Compa-Ratio	The ratio between the position's current annualized salary and the midpoint for the grade in which the position's corresponding job is located (Ex: Grade X Mipdoint = \$50,000 and Employee Y in Grade X is paid \$45,000; Compa-Ratio is equal to $\$45,000/\$50,000=90\%$)
Compensation Philosophy	A document which describes the comparator market peer group of organizations or types of organization that the university will compare itself to for the purposes of market pricing jobs. This document also contains the percentile (25 th , 50 th , 75 th) that the university will target to pay for each type and level of a job.
Essential Functions	The most critical duties and activities that are essential for a specific job. These duties meet one or more of the following criteria as defined by the Americans with Disabilities Act (ADA): <ul style="list-style-type: none"> – Performance of the responsibility is considered to be of major importance – A limited number of employees are available to perform the responsibility – The responsibility is highly specialized, requiring special expertise or abilities
Exempt Employee	An employee who is not subject to the provisions of the Fair Labor Standards Act (FLSA). Exempt employees are not entitled to overtime pay or covered by any other FLSA wage and hour provisions.
External Equity	Refers to pay as it relates to what other comparable employers are paying to employees who have similar skills, responsibilities and experience; same as <i>Market Equity</i> .
Fair Labor Standards Act (FLSA)	A federal law that governs minimum wage, overtime pay, child labor and recordkeeping requirements.
Hybrid Job	A job with responsibility for two or more unrelated functions with no specific function being dominant. For example, an employee who splits their time between the Museum Administration and TV/Radio job sub-families has a hybrid job.
Internal Equity	Refers to pay as it relates to the pay received by other [non-union] non-faculty staff performing the same job.
Job	A generic set of duties, responsibilities, and competencies that are shared by a group of positions, which may or may not be in the same unit/dept.

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Job Description	A generic written summary of the most important features of a job. It describes the total scope of essential duties, responsibilities and level of work performed. Job descriptions focus on the job itself, with qualifications and skills required, but not on the individual who might fill the position.
Job Family	A group of jobs in which the work performed is of a similar nature. Assigning jobs to job families helps ensure accurate market pricing of jobs and facilitates career progressions.
Job Structure	The alignment of positions into jobs, job sub families and job families. The job structure is intended to streamline management compensation decisions, support hiring, and allow for university wide comparisons between like positions.
Job Sub-family	A group of jobs in which the work performed is of a similar nature and within a similar function.
Market	The group of peer organization in which the university competes for talent to fill positions.
Market Data	Compensation data gathered from similar institutions and companies which assist in keeping compensation decisions aligned with job opportunities available outside of the university.
Market Equity	Refers to pay that is in line with what other comparable employers are paying to employees who have similar skills, responsibilities and experience; same as <i>External Equity</i> .
Merit Increase Pool	The total budgeted amount for the university-wide annual pay increases based on The Merit Increase for a position is based on the performance of the individual in that position. As a result, if an employee is an outstanding performer, they may receive more than the merit pool percentage. If the employee is not a good performer, they may receive less than the merit pool percentage.
Non-exempt Employee	An employee who is subject to the provisions of the Fair Labor Standards Act (FLSA). Non-exempt employees are entitled to overtime pay and covered by all other FLSA wage and hour provisions.
Position	A set of duties, responsibilities, and competencies performed by an individual in a specific role. Each position will be specific to the role and should not be specific to the individual within the role.
Position Description Questionnaire (PDQ)	A standard questionnaire intended to document a general summary of the position as well as specifics about tasks, duties, responsibilities, and requirements.
Salary Grade	Each salary grade has minimum, midpoint and maximum wage. Each job and thereby each position is assigned to a specific salary grade based on internal and external equity.
Salary Grade Maximum	The maximum of the salary range in a given grade.
Salary Grade Midpoint	The midpoint of the salary range in a given grade
Salary Grade Minimum	The minimum of the salary range in a given grade.
Salary Structure	A company's salary structure is the method of administering its pay philosophy. The University employs a blended approach taking into consideration the internal equity

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	(how jobs of similar level compare to each other for pay) and external equity (how jobs of the a similar type and level are compensated out in the market) of each job.