

**UTAH TRANSIT AUTHORITY
CORPORATE POLICY**

6.7.5.1

COMPENSATION

Purpose. Recruiting and retaining outstanding, high performing employees is critical to our continued success. The Authority has adopted a compensation philosophy and program that seeks to fairly and consistently reward Administrative Employees throughout UTA. This Compensation Policy ensures that UTA’s compensation programs comply with the federal Fair Labor Standards Act, applicable state and local law, and any other legal requirements.

I. **Definitions.** For purposes of this policy, the following terms shall have the definitions and meanings set forth below:

- A. “Administrative Employee” means an employee of UTA in a position that is not covered by the Collective Bargaining Agreement.
- B. “Authority” means Utah Transit Authority.
- C. “Average of the Labor Market” means plus or minus 15% from the Estimated Market Value.
- D. “Bargaining Unit Employee” means an employee of Utah Transit Authority in a position that is covered by the Collective Bargaining Agreement.
- E. “Base Pay” means the regular hourly rate of pay for a Non-Exempt employee or the salary for an Exempt Employee.
- F. “Career Ladder” means an advancement opportunity defined in a specific job, within a job family.
- G. “Collective Bargaining Agreement” means an agreement between the Utah Transit Authority and the Amalgamated Transit Union, Local 382, as amended and in effect from time to time.
- H. “Compensation Plan” means UTA’s standard operating procedure as defined in HR SOP510 that outlines the factors used to determine compensation for Administrative Employees.
- I. “Estimated Market Value (EMV)” means the rate of pay for a job determined from applicable labor market data using the average of the salary survey median data points.

J. “Executive” means VP, Chief Financial Officer, VP, Chief Communications Officer, VP, Chief Operating Officer, Chief Technology Officer, Chief Planning Officer, Chief Development Officer, Chief Safety and Security Officer

K. “Exempt” means an Administrative Employee who is exempt from the overtime provisions of the Fair Labor Standards Act.

L. “Goal Setting and Review” means the process through which employee’s individual job performance is evaluated based on setting individual job related and development goals that align with UTA’s Board, Corporate Office, Business Unit, Department and/or Team goals.

M. “Hot Jobs” means jobs the hiring Executive and the Senior Human Resources Officer have determined are hard to recruit and fill due to current market forces including very low unemployment rates, high level of job/position demand in the local market for the job type, high levels of turnover in the market for the job type, and/or highly specialized skills are required.

N. Intern” means an individual that is pursuing or has completed a college degree and has been hired by the Authority to complete an Internship program for college credit or to gain limited practical experience. “Job” means a collection of tasks, duties and responsibilities assigned to one or more individuals.

O. “Labor Market” means wages for a job that considers a combination of geographical, industrial, and/or occupational data.

P. “Market Adjustment” means a discretionary increase in an Administrative Employee’s rate of pay based on new or updated market data which indicates a difference between the Administrative Employee’s current rate of pay and the Average of the Labor Market.

Q. “Merit Increase” means a discretionary increase in an Administrative Employee’s rate of pay based on their individual performance documented through the Goal Setting and Review process.

R. “Non-Exempt” means an employee who is not exempt from the overtime provisions of the Fair Labor Standards Act.

S. “Pay Lane” means the range of pay established for particular Jobs that outlines the minimum, mid-point and maximum rate of pay.

T. “Progression Plan” means an agreement whereby an employee progresses toward the minimum qualifications of a Job and in accordance with the milestones set out in the agreement.

U. “Professional Employee” means an employee engaged in work predominantly intellectual and varied in character involving the consistent exercise of discretion and judgment, or as defined by the EEOC.

V. “Performance Incentive” means a discretionary cash incentive and/or bonus for Administrative employees at the Authority’s discretion based upon job classification, individual and company performance

W. “Slotting” means lining up jobs deemed to be of comparable worth within the organization.

X. “Supervisor/Subordinate Pay Differential” means the difference between a bargaining unit supervisor’s base pay and the highest paid bargaining unit subordinate, including shift differential, within the bargaining unit supervisor’s work group or the difference between a public safety supervisor’s base pay and the highest paid public safety employee’s base pay.

Y. “Short-Term Temporary” means temporary employment for Administrative positions not to exceed one year.

Z. “Long-Term Temporary” means temporary employment for Administrative positions for longer than one year, not to exceed five years.

II. **Policy.** The Authority’s Compensation Plan is designed to pay compensation that is nondiscriminatory, competitive and internally equitable. All compensation policy decisions must be considered in light of the Authority’s overall financial condition and existing budgetary resources.

III. **Standard Operating Procedure.**

A. **Job Review.** In accordance with HR SOP 310 job descriptions are created and updated. In accordance with HR SOP 310, 510 and 520 job and compensation reviews are conducted and Jobs are accurately matched to labor market data or slotted according to internal factors and assigned a Pay Lane.

B. **Appeal.** In accordance with HR SOP 310, an Administrative Employee who is not satisfied with the results of a job review or Pay Lane assignment, may appeal the decision if he or she feels the job description or Pay Lane, or both are not representative of the job duties.

C. **Compensation Administrative Employees.** Individuals accepting a new position may be compensated at a rate of pay that is at least the minimum of the Pay Lane for the position, or the minimum of the Average of the Labor Market up to the midpoint of the Pay Lane or the market median.

Compensation above the Pay Lane minimum or above the minimum of the Average of the Labor Market is contingent upon a review by the Senior Human Resources Officer and the Executive over the new position to ensure no internal equity or equal pay issues exist. The

review must be completed prior to the job offer. A lower starting rate may be approved pursuant to the provisions of a Progression Plan.

D. Compensation “Hot Jobs”. New or current Administrative Employees in a job identified as a “Hot Job” may be compensated up to the 75th percentile of the Estimated Market Value for the job without an exception from the President/CEO.

E. Executive Compensation. – Executive compensation will align with Executive Limitations Policy 2.3.1.

F. Annual Review. An Administrative Employee’s immediate supervisor is responsible for conducting a review pursuant to the Authority’s Goal Setting and Review Policy No. 6.7.3.1 at least annually. Administrative Employees may be eligible for an annual Merit Increase, Performance Incentive, or both, based on their individual performance documented through the Goal Setting and Review process. A Market Adjustment may also be made when an Administrative Employee’s rate of pay is significantly below the Average of the Labor Market.

G. Additional Compensation.

1. Overtime

a. Non-Exempt Administrative Employees. Non-Exempt Administrative Employees will be paid overtime compensation at the rate of one and one half times their regular hourly rate for work in excess of forty (40) hours in a work week as defined in the Administrative Employee Work Week and Schedule Policy 6.7.1.2. All overtime must be approved and authorized in advance by the Administrative Employee’s manager. Non-Exempt Administrative Employees are not permitted to work voluntarily or unauthorized overtime.

b. Exempt Administrative Employees. Exempt Administrative Employees are not eligible for overtime pay except as described in section IV. D. 2 of this policy. If an Administrative Employee believes that an improper deduction was made from their salary or leave bank, he or she should promptly report their concern to the Payroll Administrator and Human Resources. If it is determined that an improper deduction was made the Authority will reimburse the Administrative Employee accordingly.

2. Labor Costs – Declared – Overtime Compensation for FLSA Exempt Employees

a. The Authority may pay exempt employees (excluding Executives) overtime pay for any hours worked over forty (40) hours in a workweek at a rate of one and one half times their regular hourly rate of pay during periods of a declared emergency. The Authority shall only make such payment when all of the following conditions occur:

1. The Authority has issued a “Proclamation of Local Emergency”;

2. Exempt employees are required to work over forty (40) hours for one workweek during the Emergency period; and
3. The Authority has approved the use of available funds to cover the overtime payments.
4. The Authority shall distribute any overtime payments consistently with a pre-defined standard that treats all employees equitably. Hours worked under a declared Emergency must be paid and cannot be accrued as compensatory time.

3. Supervisor/Subordinate Pay Differential. Supervisor/Subordinate pay differential and extra compensation for acting assignments may be compensated as outlined in the Administrative Compensation Plan, HR SOP 510.


H. Compensatory Time. Compensatory time off may be granted in the same work week to reduce the hours worked in that work week to forty (40) or less.

I. Confidentiality. Except as deemed public under the Government Records Access and Management Act, individual employee compensation is confidential.

J. Policy Review. Any exception to the application of this policy must be approved by the President/CEO.

IV. **Cross References.** Job Evaluation Job Recruitment Policy 6.7.2.1; Hiring and Job Classification 6.5.1; HR SOP 310 Job Description Creation/Updates; HR SOP 510 Administrative Compensation Plan; HR SOP 520 Market Matching and Salary Structure

This UTA Corporate Policy was reviewed by Corporate Staff on May 19, 2015, approved by the President/CEO/General Manager on this 19th day of May, 2015 and takes effect on the latter date.


 Michael A. Allegra
 President/CEO/General Manager

Approved as to form:


 Counsel for the Authority

Revision History	
Compensation Policy adopted	12.12.05
Revised	10.29.07
Revised	1/16/08

Revised to add provisions for overtime during a Proclamation of Local Emergency	11/16/10
Revised the new Administrative Employee starting pay rate and other modifications	11/18/2014
Revised	5/19/2015