

## Definitions

- **Base pay:** The rate paid by hour, week, month, or year to an individual for the job performed. Base pay does not include benefits, bonuses, incentives, shift differentials, etc.
- **Demotion:** Movement to a lower job level.
- **Exempt employee:** Exempt employees are those whose jobs are not subject to minimum wage or overtime payment provisions of the FLSA. Generally this group includes executives, administrative/professional employees, and outside sales.
- **Fair Labor Standards Act (FLSA):** A federal law governing minimum wage, overtime pay, equal pay for men and women in the same types of jobs, child labor and record-keeping requirements. Contained within this law are the categories of exempt and non-exempt work.
- **Job evaluation:** A systematic way of determining the value and worth of a job in relation to other jobs in the organization.
- **Lateral:** Movement to a position at the same job level.
- **Non-exempt employee:** Non-exempt employees are those whose jobs are subject to the minimum wage and overtime pay provisions of the FLSA.
- **Position Classification:** The assignment of a job to a hierarchical structure and salary grade based on evaluation of the job duties, responsibilities, tasks, authority level and the going rate for comparable jobs in the external labor market.
- **Promotion:** Movement to a higher job level.
- **Reclassification:** Assignment to a new position classification when job duties of a former position are re-evaluated.
- **Salary grade:** A predetermined compensation level for a position within the university that is expressed through a salary range: minimum, median, maximum. Usually, all jobs within a grade have the same pay range.
- **Total Compensation:** The complete pay package provided by the university to the employee in exchange for working. Total compensation includes, but is not limited to, all forms of salary, bonuses, benefits, perks and on-site amenities.