AMERICAN UNIVERSITY WASHINGTON, D.C.

University Policy: Wage Policy

Policy Category: Employment, Benefits, Workplace Policies

Subject: Maintaining fair and comparable hourly wages

Office Responsible for Review of this Policy: Office of Finance and Treasurer

Procedures:

Related University Policies: Staff Compensation Program

I. SCOPE

This policy will cover all full-time, non-union, staff employees of the University. Employees of multi-year service contracts who are regularly employed on campus – except first-year (Dining Service) – will be covered by the policy.

II. POLICY STATEMENT

American University is committed to ensuring that our hourly wages are fair and comparable to those paid by other universities and municipalities in the greater Washington, D.C. Area, from which AU draws its staff. In 2002, the Board of Trustees adopted a "wage policy" that established a "base wage", which is the lowest wage for covered employees. This policy has been amended over time to account for periodic changes in overall wage levels.

This policy sustains the spirit of the original policy, assures the continuation of the wage practice and establishes a mechanism to keep the base wage current in the future.

III.POLICY

The university wage policy will assure that the lowest paid employees of our campus community can live decently within the economic structure of the greater Washington geographic region from which AU draws its staff.

The wage policy contains the following conditions:

- It will be based on the demographics of the region from which we draw our employees, as well as the general practices reflected in other wage policies.
- The base wage will be set at a rate that is competitive with rates paid by other universities and municipalities in the region.

- It will fit within AU's existing compensation system as the framework within which it will be institutionalized and maintained.
- The base wage will be increased when the salary band structure is adjusted.
- The policy will cover full-time, non-union, staff employees of the university unless otherwise stated in a collective bargaining agreement.
- Employees of multi-year service contracts who are regularly employed on campus – except first-year (Dining Service) employees – will be covered by the policy.

To perpetuate the intent of the original policy, the Assistant Vice President of Human Resources shall be responsible for reviewing the base wage and initiating any appropriate base wage adjustments for full-time, non-union staff employees of the University, generally on a biennial basis. Adjustments to the base wage shall be reflected in the Pay Band Structure. The hourly adjustments will be determined using the conditions stated above in the wage policy. The Assistant Vice President of Human Resources shall also be responsible for coordinating, with the appropriate administrative offices, the implementation of the wage policy conditions with the multi-year service contracts of persons regularly employed on campus.

IV. EFFECTIVE DATE

This Policy is effective July 13, 2012.

V. SIGNATURE, TITLE AND DATE APPROVED

This policy needs to be signed by the appropriate office (listed below) before it is considered approved.

Approved:

Title: CFO, Vice President and Treasurer

Date: 7/16/12