

Dear Colleagues,

President Obama's Executive Order for federal contractors related to promoting Pay Transparency recently took effect and is applicable to the University. While many of the provisions of the rule implementing the Executive Order are in alignment with existing University policies and procedures, please take the time to review the following information as **action is required** from you or others in your area.

Specific actions include:

Required: Updating the employment and labor law posters displayed in your school/unit ensuring that the required supplement is added. (See Attachments, [Online](#))

Required: Updating any localized faculty and staff handbooks or manuals to include the prescribed nondiscrimination statement. (See Attachment)

Strongly Recommended: Preparing materials or talking points related to compensation for those in your area who may need to respond to such questions based on the nature of their work.

- This includes information on policies and procedures related to total reward packages that can be negotiated by applicants and employees, as well as reviewing best practices for engaging in these discussions.

Recommended: Reminding managers and employees that, as a public entity, individual employee compensation information is publicly accessible to anyone online, so they can be prepared for specific questions.

Rule Summary:

Below is a summary of the key provisions of the "Pay Transparency Rule." You can find detailed information in a "Frequently Asked Questions" (FAQ) format [online](#). These FAQs are hosted by the Department of Labor. Specifically, the Pay Transparency Rule:

- Protects employees or applicants who inquire about, discuss, or disclose their compensation, or the compensation of other employees or applicants, from discrimination or retaliation.
 - Note: There is an exception for employees who have access to this information as a part of their job and breach confidentiality.
- Prohibits "pay secrecy" rules but **does not require that pay information be disclosed** by officials, or an employee, to employees or applicants who enquire about such information.
- Requires posting a specific nondiscrimination provision in employee manuals and handbooks.
- Requires that an additional "EEO is the Law" poster supplement be displayed by employers.
- Defines compensation to include total rewards of employment (i.e., bonuses, benefits, etc.).

Thank you for your efforts in ensuring that the University continues to meet its responsibilities as an institution committed to equal opportunity. If you have questions about the Pay Transparency Rule or would like to meet to discuss action steps in your area, please contact me at employmentequity@virginia.edu.

Best regards,

Rachel Spraker