

## Establishing the Actual Wage

### \*\* Before Starting \*\*

Make sure you're logged into the VPN (UMAccess-MFA) before beginning the Actual Wage e-form on iTerp.

**Wage Justification:** To submit an H-1B petition on behalf of a foreign worker, U.S. federal law requires the employer to document that the employee will be paid the "actual wage." The actual wage is the rate paid to all individuals with similar experience and qualifications as the H-1B worker for the position. The employee is considered to be receiving the actual wage if his/her salary falls within (or above) the range of wages currently paid to the comparable pool of employees in the same department.

- 1 Identify the employees in your unit or department who have the same title.

#### Example

If the H-1B worker's title is Lecturer, identify other employees in the department who hold the same title.

- 2 Identify the comparable pool of employees by dividing them into subgroups based on similar qualifications and experience. Based on the H-1B worker's qualifications and experience, determine which group you will use as the comparable pool to determine the appropriate salary for the H-1B.

#### Example

Divide your larger group of Lecturers into subgroups. The H-1B worker has a master's degree and four years of experience. You would select group two in the example below.

- Group one: Lecturer with master's degree and one to three years of experience
- Group two: Lecturer with master's degree and four to six years of experience
- Group three: Lecturer with PhD and one to three years of experience

- 3 Determine the Actual Wage and the H-1B worker's salary. Then, enter the information into iTerp. Identify the factors that determine individual salaries within the group of similar employees.

#### What factors result in higher pay for some of the group members?

- Years of experience in the field (International experience should be included)
- Qualifications: education level, particular skills, certifications, abilities
- Job responsibility and function: What are the major tasks performed by the worker? Does the position require management duties and/or supervisor duties?
- Specialized knowledge: specialized research field/experience may warrant a difference in pay. Provide an explanation.
- Other legitimate business factors: professional distinctions, such as publications, development of a patent, international prize, meritorious performance.

- 4 Determine the Actual Wage and the H-1B worker's salary. Then, enter the information into iTerp.

#### Example

The department has four people (excluding the H-1B) in group two. The H-1B has been offered a salary of \$85,000. In iTerp, enter the UID number (not name) for each of the workers in the group. For any worker who earns more than the H-1B, justify the higher salary. For example:

- UID:108333333 \$75,000 - leave blank
- UID:108333333 \$84,000 - leave blank
- UID:108111111 \$95,000 - 6 years of experience
- UID:108222222 \$98,400 - 6 years of experience + supervisor duties + specialized experience in topic x + published in top journal SCIENCE



Don't forget to click **SUBMIT** after completing the e-form.