

**Supplemental Guidance  
FY 2010 Salary Process  
Office of Business and Finance  
April 1, 2009**

*NOTE: This document supplements the 3/11/2009 Guidance from the Provost*

Overall Objective – to meet the compensation initiative goals of:

- Performance based compensation – merit, market, equity
- Aggregate increases of 2.0% with an additional .5% targeted to our highest performers.
- Effective use of a compensation pool equal to 2.5% of current salaries.

Merit is the primary determinant for pay decisions. Market competitiveness and equity are also considerations where opportunities exist. This means:

- Merit should be based on written evaluations and should recognize performance in FY09.
- Market is a consideration not an entitlement. In those cases where significant gaps with comparable positions are identified, adjustments will be made over the next three years, not all at once. Comparisons of market salaries with private sector need to take into account differences in benefits, greater job security, and other conditions that may differ. In other words, it should not be expected that the goal is to bring all salaries to external market levels.
- Equity – Within individual units as well as across Business and Finance, there should be no significant variation in compensation for staff with equivalent skills, longevity, performance and responsibilities. The same should be true throughout the University; however the focus of our efforts will be within B&F. Monitoring of salary equity across units in Business and Finance as well as across gender and ethnic groups will be a part of the central review process.

### Additional Considerations:

- Employees receiving no increase due to performance or market position must be notified in writing with supporting rationale.
- Cash payments are permitted are not permitted for FY10 unless cash is utilized in lieu of annual rate due to salaries above market. All cash payments require central approval.
- Student employees are eligible for salary increases. Increase percentages should be consistent with those of regular employees.
- Where feasible, performance evaluations should be completed by October 1st.

### Funding Sources

- General fund support units will receive a budget increase reflecting their share of increased tuition.
- Increases for the direct reports to the Senior Vice President will be budget neutral to the home departments. To accomplish this, the increase in the PBA associated with salaries for direct reports to the Senior Vice President will be held centrally and distributed back to the units as needed to fund the differential increases for these staff.
- Collective bargaining increases will be funded centrally, including any “me too” increases.

### Timetable:

- Unit plans due to B&F Admin on August 14th.
- New pay rates effective for Pay Period 1, September 27 for bi-weekly, and October 1 for monthly.

Office of Business and Finance  
4/1/09