University of Idaho
A LEGACY OF LEADING

Provost and Executive Vice President
Administration Building, Suite 105
PO Box 443152
Moscow ID 83844–3152

Phone: 208-885-6448
Fax: 208-885-6558
w.provost.uidaho.edu

TO: **Deans and Unit Managers**

FROM: **Doug Baker, Provost and Executive Vice President**
Keith Ickes, Executive Director of Planning and Budget

Doug Baker
Keith E Ickes

SUBJECT: **FY2013 SALARY PROCESS**

DATE: **April 11, 2012**

This year President Nellis sent a strong message in his appearance to the Legislature that Change in Employee Compensation (CEC) was our highest priority. We are grateful that message was heard in a time of limited economic recovery in the State. For FY13, the appropriation bill for colleges and universities, House Bill 659, includes an on-going two percent across-the-board change in employee compensation (CEC) for higher education employees; however, the State General Fund is only covering about half of the cost of the increase. The bill provides the spending authority for the remaining amount to come from dedicated funds and, in the case of higher education, dedicated funds refer to student tuition. Those tuition increases will be determined by the State Board on April 18. In addition, the allocation from the state and from tuition is calculated on our FY12 state-based salary as recorded in the FY12 Budget book and not on salaries which rely on other funding sources.

Actions and Timeline: ***A short turn-around time in our process and close adherence to deadlines is imperative to enable the distribution of salary agreements prior to the end of the academic year:***

- Distribute guidelines for University base salary increase process.......................April 11
- Completed Salary recommendations..April 20
- Salary changes effective .... June 24
- Salary increase reflected in pay checks...July 20

The salary recommendation process involves many considerations and careful implementation. We ask deans and unit leaders to clearly communicate this information within their college, department or division. Salary agreements/letters will be issued following this process for continuing employees and will reflect annualized salary levels.

Please contact Brenda Helbling (208-885-7919) in the Provost's Office or Jill Robertson (208-885-7122) in the Budget Office if you have any questions.

Thank you.

University of Idaho

FY2013 Salary Guidelines

The Provost and Executive Vice President and the Executive Director of Planning and Budget issue the following guidelines for the preparation of the FY13 salary recommendations for all categories of board appointed employees, permanent and temporary.

General Guidelines: Permanent and temporary board appointed employees, regardless of their salary funding source, are to be considered in this process using the web-based salary model program within the parameters described below.

Eligibility: A two percent across-the-board increase is required for board appointed employees hired on or before January 8, 2012 who received a "Satisfactory/ Meets Expectations" or better rating on their most recent performance evaluation. Note: Board-appointed employees with a .01 suffix will receive the pay increase. An Electronic Personnel Action Form (EPAF) will need to be entered by the department for these .01 suffix employees as part of their annual re-appointment process. Temporary help (TH) employees are not included.

TA/RA: The unit's permanently budgeted assistantship positions on General Education and Centrally Allocated funds will be increased by two percent by the Budget Office based on the FY12 Budget Books. Units are responsible for ensuring that all TA's and RA's receive the two percent increase.

Salary Increase Range: Eligible employees will receive a total salary adjustment of two percent consistent with the legislative action:

> "…provide a two percent (2%) pay increase for all classified and non-classified permanent performing employees. Performing employee shall be all permanent employees….who have been rated as "achieves" or better on a performance plan if required by DHR rule, including probationary permanent employees making satisfactory progress." (DFM 3-20-12)

This two percent salary adjustment should be calculated based on FY2013 base salaries (e.g., reclassification and retention adjustments in FY12) which will be loaded into the salary model program for all permanently budgeted positions. Note that the FY2013 increment for faculty promotions in rank will be applied <u>after</u> the 2% increase.

Funding Sources: A pool of funds will be provided to each unit based on their FY2012 permanently budgeted State Appropriated (General Education, Ag Research and Extension, FUR, IGS, WWAMI and WI) and Centrally Allocated salaries. This pool of funding will not include funding for salaries permanently budgeted on revenue-generating General Education budgets (off campus, summer session, and professional fees). Any funds needed in excess of this allocated pool, including the related fringe benefit costs for the excess amount, must be funded from existing college/unit funds.

Probationary Employees: Employees hired on or before January 8, 2012 who have not yet completed their probationary period at this time but are making satisfactory progress may be recommended for increases during the salary recommendation process, but the increases are deferred until the 6-month probationary period has been satisfactorily completed. Once the employee successfully passes probation, the department must complete an EPAF to implement the pay increase. See University of Idaho Faculty-Staff Handbook Chapter 3: Section 3440 D-2.

Process for Colleges/Divisions:

SUBMIT BY APRIL 20: Only unit fiscal officers will have access to complete the changes in the salary model on the Web. Instructions will be emailed separately to those individuals. The Banner NWRSREC report accompanied by a cover letter from the administrator will be used to verify final recommendations. This report includes base salary amounts, increases by category and the new fiscal year salary by person. The report must be signed by an appropriate administrator and delivered to the Budget Office by April 20. It will be used to verify policy compliance, validate final salary recommendations, and document special issues or considerations.

The cover letter from the administrator must include a funding plan for salary increases that exceed the General Education and Centrally Allocated funds. The plan must identify funding sources for both salary and related fringe benefits. Complete instructions for the cover letter will be sent to the fiscal officers who have salary model access.

Examples:

Example 1
Joe Vandal is in a $65,000 permanently budgeted position and has not received any out of cycle increases so his basis for the increase remains at $65,000. As of the FY12 Budget Book his salary was split with 50% or $32,500 on General Education and 50% or $32,500 on a revenue-generating Y account:

- Funds provided by the central administration: Because Joe was permanently budgeted $32,500 on General Education in the FY12 Budget Book; the central administration will provide 2% of this ($650) plus cover the increase to the benefit cap for the related fringe benefits of 23.5% of the increase ($153).
- Funds to be covered by Unit: The unit must permanently cover the 2% increase for the $32,500 in salary budgeted on the Y account ($650) plus 23.5% of the increase ($153) in related fringe benefits (total of $803).

Example 2
Jason Vandal was in a $65,000 permanently budgeted position at the start of FY12 and then received an out of cycle permanent increase of $2,080 in January of 2012. His salary is 100% General Education:

- Funds provided by the central administration: Because Jason was permanently budgeted $65,000 on General Education in the FY12 Budget Book the central administration will provide 2% of this or $1,300 plus cover the increase to the benefit cap for the related fringe benefits of 23.5% of the increase ($306).
- Funds to be covered by Unit: The unit will need to provide a permanent funding source for the 2% increase associated with the mid-year permanent increase ($41.60) plus $10 in related fringe benefits (total of $51.60) since the basis of the increase has been approved for using the FY13 salary (though the state provided funds on the FY12 base).

Example 3
Faculty member Jessie Vandal was in a $65,000 permanently budgeted academic year position at the start of FY12 and is scheduled to receive a $6,000 increase in FY13 for promotion in rank to associate professor. Her salary is 100% General Education:

- Funds provided by the central administration: Because Jessie was permanently budgeted $65,000 on General Education in the FY12 Budget Book the central administration will provide 2% of this ($1,300) plus cover the increase for the related fringe benefits of 23.5% ($306). The $6,000 increase for promotion in rank will be added after the 2% pay increase.
- Funds to be covered by hiring unit: No funds are needed.