



MEMO

TO: Campus Leaders
 CC: CSC, PASC, Faculty Senate
 FROM: Marshall Parks, Director Human Resources
 DATE: 4/19/17
 RE: FY18 Pay Distribution for Proposed Salary Increases

Consistent with our Compensation Identity Plan, our Board of Trustees has invested in 5% faculty and exempt salary pools for FY13 and FY14 and 3% salary pools in FY15, FY16, and FY17. The FY18 proposed budget includes a 2% salary pool for faculty and exempt staff and an estimate of 2.5% for state classified base increases.

Eligibility to receive maintenance of effort (MOE) increases in all employee classifications is contingent upon receiving a successful evaluation. Salary distribution worksheets will be provided to the vice presidents so that they can identify employees who have received successful evaluations. Distribution will be based on the models described below.

Pay Distribution Models for FY18

Faculty

Salary distribution between maintenance of effort (MOE) and parity is tied to our average salary relative to peers and based on market triggers. After a temporary parity holiday in FY17, the Faculty Senate recommended a return to the following model for FY18:

| Faculty Model | 2% Pool | |
|--------------------------------|-------------|------------------|
| MOE -1.0% | 61% | 350,000 |
| Parity | 30% | 175,000 |
| Provost Discretion | 9% | 50,000 |
| Total before Promotions | 100% | 575,000 |
| Promotions Estimate | | 200,000 |
| Total Distribution | | \$775,000 |

Exempt

During the last fiscal year, we completed the exempt banding project, which helped us to establish pay bands for each of our exempt positions. This project identified employees who are being paid below the minimum of the pay band for their position. Last year, the exempt distribution model was designed to bring these employees up to the minimum over time with a cap of a 10% increase. This year the model will finish the process of bringing all exempt employees to the minimum of their band using the following model:

| Exempt Model | 2% Pool | |
|-------------------------------------|-------------|------------------|
| MOE – 1.25% | 63% | 410,000 |
| Increase to Minimum | 23% | 150,000 |
| President/Vice President Discretion | 14% | 90,000 |
| Total Distribution | 100% | \$650,000 |

Classified

The state legislature determines the distribution of base building classified salary increases in the Long Bill. We are monitoring the legislative process. The currently available information anticipates that the following model will apply:

| Classified Model | 2.5% Pool | |
|----------------------------|------------------|------------------|
| Performance Based Pay 2.5% | 100% | \$490,000 |
| Total Distribution | 100% | \$490,000 |

Note: All pool amounts are estimates.

Please share this information with your staff, as appropriate.