TO: The UVM Community
FROM: Wanda Heading-Grant
    Vice President for Human Resources, Diversity and Multicultural Affairs
RE: Compensation for Non-represented Faculty
Date: September 5, 2014

As described in my memorandum of August 6, 2014, regarding compensation for non-represented UVM staff, the UVM budget picture for FY 2015 is moving into clearer focus. President Tom Sullivan and Provost David Rosowsky communicated recently about the real and immediate new challenge of a $1.5 million cut in our state appropriation announced in August that will not be easy to absorb. Other indicators, however, such as the enrollment and quality of our incoming class are trending positively, to the point where we have now determined specific compensation parameters (salaries and benefits) for UVM non-represented full-time and part-time faculty.

The major parameters of the compensation changes are as follows:

- For Faculty Administrators, including Associate Deans, Academic Directors and Department Chairs, there will be a flat, across the board salary increase of 2%, retroactive to July 1, 2014. Salary increases for other non-represented faculty, including the College of Medicine, will be determined and communicated by their respective Deans, based on budget guidelines. It is our expectation that this pay increase will be reflected in the October 15, 2014, pay check.

- Full tuition remission benefits for full-time employees and dependents will continue, with encouragement for timely degree completion.

- There will not be a change to the covered benefits provided in our health insurance plans.

- Employees earning $32,000 annually and below will not have an increase in their cost share for health care premiums.

- The cost share for health insurance premiums will increase by 20% for employees earning more than $32,000. For example, an employee who is currently paying 14% of the health care premium will now pay 16.8% of the premium. In actual dollars, this individual, whose contribution has increased from 14% to 16.8%, would see the following increases in monthly premiums (for the BCBSVT – VHP Open Access Plan):

  - Single coverage: $17.29/month
  - Employee and spouse: $34.58/month
  - Employee and children: $35.94/month
  - Family coverage: $49.88/month
- The 20% increase will apply to all salary levels above $32,000, including the highest salary levels (e.g., someone now paying 30% of premiums will pay 36%).

- The cost sharing contribution changes will go into effect on September 1, 2014, and this change will be reflected in your September 15 paycheck. Your current premium cost share may be viewed here:

  www.uvm.edu/hrs/fy15premiums

- The progressive health care premium cost sharing system based on compensation will be retained, continuing the practice of more highly compensated employees paying significantly more than lower paid individuals.

It is important to note that the necessary increases in health insurance cost sharing were reflected in, and informed by the discussions and open forums held during the past academic year by the University Benefits Advisory Council, and are consistent with the Guiding Principles developed by the UBAC that framed those conversations.

Staff and faculty who are represented in collective bargaining will have their compensation and health insurance cost sharing adjustments determined through those processes, once contracts are completed and ratified. It is our continuing goal and expectation that compensation and other benefits for both represented and non-represented staff will remain largely comparable, which has long been the practice at UVM.

Thank you for your patience. We are working hard to implement the changes at the earliest possible time, understanding that it takes approximately eight weeks lead time to complete necessary adjustments to the PeopleSoft system.