TO:       The UVM Community

FROM:  Wanda Heading-Grant
       Vice President for Human Resources, Diversity, and Multicultural Affairs

RE:        Compensation for Nonrepresented Staff

The UVM budget picture for FY 2015 is moving into clearer focus. President Sullivan and Provost Rosowsky communicated recently about the real and immediate new challenge of a $1.5 million cut in our state appropriation announced last Friday 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 decided to determine specific compensation parameters (salaries and benefits) for staff not represented by a union.

The major parameters for nonrepresented staff are as follows:

• There will be a flat, across the board salary increase of 2%, retroactive to July 1, 2014. We will notify you when you can expect to see this increase reflected in your paycheck, but it will likely take a few weeks to implement this retroactive increase.

• Full tuition remission benefits for full-time employees and dependents will be continued, 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 10% of the health care premium will now pay 12% of the premium. In actual dollars, this individual, whose contribution has increased from 10% to 12%, would see the following increases in monthly premiums (for the BCBSVT – VHP Open Access Plan):
  
  Single coverage: $12.35/mo
  Employee & spouse: $24.70/mo
  Employee & children: $25.67/mo
  Family coverage: $35.63/mo

• 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. Your current premium cost share may be viewed here:

http://www.uvm.edu/hrs/info/benefits/premiums/fy15_nonrepmedicalpremiums.pdf

• 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.

Finally, I would like to thank you for your patience as we awaited a clearer budget picture before making these decisions. These determinations were made as soon as we were confident that adequate resources could be identified to fund compensation, and then address remaining uncertainties with respect to FY 2015 compensation.