UVM is committed to compensating staff competitively and equitably, always with attention to student affordability and within the scope of available resources.

The quality and commitment of UVM’s faculty and staff are critical for maintaining excellence in instruction, research and public service to the citizens of Vermont. Compensation, therefore, remains a top priority of the University.

**FY 2018 WAGE/SALARY INCREASE GUIDELINES**

Pending approval of the FY 2018 budget by the Board of Trustees, wage/salary base budgets will be incremented to fund a 2.0% total salary pool for non-represented staff. This pool includes 1.5% for cost of living adjustments and a 0.5% merit pool to reward individual exceptional performance.

These wage and salary guidelines apply to non-represented staff members paid on restricted, income/expense and general funds only, and do not apply to staff members represented by a union. For represented staff, FY 2018 increases will be determined in accordance with the terms of applicable collective bargaining agreements.

Issues regarding apportionment of salary increases among staff, eligibility requirements for salary increases, and increase levels are addressed in the section below titled “Individual Increases.” Additional questions regarding these issues should be directed to HRDMA.

Issues regarding how College and Division budgets will be reviewed by the Financial Analysis and Budget Office (FAB) are addressed in the section below titled “Budget Review.” Additional questions regarding these issues should be directed to the FAB office.

**INDIVIDUAL INCREASES**

- **Cost of living adjustment increases**
  Staff who began work at UVM prior to April 1, 2017 should receive a minimum wage/salary increase equal to the FY 2018 cost of living adjustment increase of 1.5%. In cases of documented deficient performance or prior written agreement, a lesser or no increase may be appropriate (documentation must accompany budget submissions).
Increases for new staff hired from outside of UVM between April 1, 2017 and June 30, 2017 are optional, except for increases required to the new pay band minimum.

NOTE: If an internal UVM staff member is promoted or hired into a new position between April 1, 2017 and June 30, 2017, they must receive their July 1st increase in addition to any promotional increase that they may have received prior to July, 2017.

➢ Merit increases
A merit pool of 0.5% of the FY18 staff salary budget will be apportioned to each vice president in a cost center or allocated by each dean in a responsibility center for the purposes of funding this merit pool. The results of each individual’s annual performance review will play a key role in the determination of exceptional performance warranting a salary adjustment. Individual merit increases may exceed 0.5% so long as each College or Division’s total increases do not exceed their pool.

Supervisors must be able to defend recommendations to award or not award merit increases. Supporting documentation should include up-to-date performance evaluations, and adequate documentation of exceptional performance, or of any performance deficiencies or misconduct addressed outside of the evaluation process.

➢ Compression
The merit increase pool will not be used to address salary compression issues. Matters of compression should first be discussed with the HR Administrators of your college/unit who will work with Classification and Compensation staff to assist you.

➢ Individual increases above 4.0%
For individual increases beyond 4.0%, where no promotion is involved, documentation must accompany budget submissions for review and approval by the Vice President for Human Resources, Diversity and Multicultural Affairs.

➢ Pay band minimums and maximums
Staff members cannot be paid below the pay band minimum. If a staff member’s current wage/salary is above the new pay band maximum, their FY 2018 increase will be limited to the 1.5% cost of living increase. Exceptions to this practice must be approved in advance by the Vice President for Human Resources, Diversity and Multicultural Affairs.

Pay bands will be adjusted as needed to reflect changes in market values, based on the annual review of survey data. Guidelines and pay bands will be available after March 29 and May 1, 2017 respectively at http://www.uvm.edu/~ofabweb/.

➢ Wage/salary fiscal year adjustments after July 1
Post-July 1 fiscal year adjustments are meant to address situations that can be anticipated during the budget process, and are pre-approved within the budget process. Wage/salary fiscal year adjustments after July 1 are allowed when specific, written plans accompany the budget submission. All plans must conform to staff wage/salary guidelines. Approved plans may be implemented at the discretion of the budget manager as funds become
available. They differ from “off cycle” base salary adjustments resulting from unanticipated organizational changes.

Specifically, adjustments after July 1 will be allowed in cases when unassigned wage dollars become available for distribution, such as:

- Staff who are in their probationary period or a constructive discipline process.
- When external funding is still unknown at the time of budget submission. Such adjustments may be retroactive to July 1 (or a specified date between July 1 and the beginning date of a granting period) only when they are funded by external sources not available on July 1. Retroactive dates must be specified in the submitted plan.

➢ Wage/salary reconsideration procedure
Staff who believe that their business unit did not correctly adhere to the salary guidelines may request reconsideration by their supervisor following established practices. Further concerns should be directed to the next level manager and then to the Assistant Director of Benefits & Employee Operations. Any request for reconsideration must be initiated promptly in writing.

➢ Shift differential premiums and minimum wage rate
Shift differentials for eligible non-represented staff are paid as a percentage of hourly rates as follows:
- 6% of pay band minimum for second shift
- 8% of pay band minimum for third or rotating shifts

The State of Vermont minimum wage is $10.00/hour. Currently, this is the lowest allowable rate for temporary staff. If the State of Vermont increases the minimum wage, the lowest allowable rate for temporary staff will increase accordingly.

Questions
Questions regarding information in this section should be directed to HRDMA at 656-3102.

BUDGET REVIEW

All cost centers will see increments provided to their staff salary budgets of 2.0%. Vice presidents and deans within responsibility centers and hybrid cost centers will be responsible for ensuring that their staff salary budgets are increased by 2.0%. The FAB office will review budgets at the College of Division level, not at the individual department level, to ensure they have been incremented by 2.0% in the following manner:

\[
\text{New Year Wage/Salary of Continuing Staff} = \% \text{ Increase} \\
\text{Old Year Wage/Salary of Continuing Staff}
\]

This calculation excludes staff with changes in title, pay band, FTE or term of appointment. The calculation includes staff paid from all sources: general, income/expense, or restricted funds. If a vice president or dean expects to exceed the total increase (both cost of living adjustment and merit) by 0.2, they must submit written justification to the Department of Financial Analysis &
Budgeting by May 18, 2017. Pool percentage increases for areas will be reviewed to ensure that vice presidents and deans adhere to the intent of the guidelines.

➢ **Use of area wage and salary increase funds**
   Funds from the cost of living adjustment as well as merit pool should be used for wage or salary increases and should not be used to create positions, to fund parts of existing positions, or for other budget categories. Area increases will be reviewed to ensure that there is a consistent application of these guidelines across campus.

➢ **Area wage/salary increases**
   Funds available because of turnover or other changes may be used to supplement individual percentage increases for ongoing staff, as long as unfilled position budgets remain adequately funded. Any use of funds in this manner resulting in the above calculation exceeding the 2.0% pool by more than 0.2% will require a notice to the FAB office by May 18, 2017 as indicated above. In addition, managers are encouraged to maintain sufficient unassigned dollars to fund overlaps in employment, reclassifications, off cycle increases, changes in FTE, etc.

**SUMMARY OF REQUIRED DOCUMENTATION**

➢ **Written justification to the Department of Financial Analysis & Budgeting is required for area pool increases prior to May 18th, when**
   - A vice president or dean expects to exceed the cost of living and merit pools by 0.2%

➢ **Written justifications are required with budget submissions by May 26**th **for individual staff wage/salary increases in any of the following circumstances:**
   - An individual receives less than the cost of living adjustment increase of 1.5%;
   - An individual receives an increase of more than 4.0%;
   - An individual’s FY 2017 salary is greater than the FY 2018 pay band maximum and they receive more than 1.5%;
   - Post-July 1 fiscal year adjustments are planned

**WAGE/SALARY NOTIFICATION DEADLINES:** Wage/salary adjustments, including all required documentation are due with budget submissions, no later than **May 26, 2017**.

The guidelines above will be used to review wage and salary decisions for accuracy and compliance. Exceptions must be approved in advance by the Vice President for Human Resources, Diversity and Multicultural Affairs. Both the review and approval processes should be completed by **June 20, 2017**; staff wages/salaries are not official prior to that date.

*It is important for each budget director to ensure that staff members in their College or Division are appropriately informed of their new compensation (and its rationale) once the approval process is complete.*

If you have questions about these guidelines, please contact Classification & Compensation at greg.paradiso@uvm.edu or (656-3102) or Financial Analysis & Budgeting (656-3244).
APPENDIX

Definitions of Performance Ratings

Exceptional Performance (EP):
Employee significantly and consistently surpasses performance expectations in the majority of competencies or accountabilities. Exceeds role requirements. Demonstrates exceptional depth and breadth of role knowledge. Recognized as a role model by others.

Solid Performance/Satisfactory (SP):
Employee consistently and satisfactorily meets requirements for this position. May have one or more areas of exceptional performance and/or may have one or more competencies or accountabilities that need development or enhancement.

Improvement Needed (IN):
Employee's performance needs to improve in one or more areas of competency and/or accountability for position. Improvement is immediately required in areas critical for success in position. If the supervisor identifies that performance improvement is needed, a Performance Improvement Plan may be initiated to contribute to growth in identified area(s).

Unsatisfactory (UN):
Employee's performance consistently fails to meet the job requirements in one or more areas and adversely affects the department's ability to accomplish its mission. Substantial improvement is immediately required in areas critical for success in position. Formalized documentation of issues and/or expectations is appropriate and must be completed. If the supervisor identifies that performance is unsatisfactory a Performance Improvement Plan will be initiated to contribute to growth in identified area(s).