UVM is committed to compensating employees competitively and equitably, always with attention to student affordability and within the scope of available resources.” Parameters of Compensation at the University of Vermont, http://www.uvm.edu/hrs/?Page=unibac/parameters.html.

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. Therefore, even with a 1.5 million cut in state appropriations, compensation remains a top priority of the University. That priority is evident in light of proposed raises for non-represented staff. Despite economic improvement, other colleges and universities also continue to experience budget challenges. The average estimate for staff salary increases at peer institutions is 2.35% and two of seventeen peers currently estimate a 0% FY 2015 staff salary increase.

**GENERAL GUIDELINES**

Per approval of the FY 2015 budget by the Board of Trustees, general fund wage/salary base budgets will be incremented by 2% to fund increases of that amount. There will be no additional increment to fund market adjustments, equity adjustments or extraordinary merit. This budget increment does not apply to units funded by revenue formula, including the College of Medicine, Extension System and Agricultural Related Services.

These wage and salary guidelines apply to non-represented staff members paid on restricted, income/expense and general funds. These guidelines do not apply to staff members represented by a union. For represented employees with settled contracts, FY 2015 increases will be awarded according to the terms of applicable collective bargaining agreements.

Section 487 (a)(20) of the Higher Education Act (HEA) prohibits the University from providing incentive compensation to employees for their success in securing student enrollments or the awarding of Title IV HEA program funds.

**REVIEW OF TARGET AREA INCREASES**

A target area is defined as the largest aggregate of budgets for a budget director who reports directly to the Vice President for Finance and Treasurer, the Provost and Senior Vice President or the President. Each target area’s staff salary base budget will be increased by the Office of Financial Analysis & Budgeting to cover the 2% increase on the FY 2014 general fund salary base for non-represented staff employees.

This calculation excludes staff with changes in title, pay band, FTE or term of appointment; and it
includes staff paid from general funds.

- **Use of general fund wage and salary increase funds**
  Funds from the 2% fixed increase must be used for wage or salary increases for eligible employees and cannot be used to create positions, to fund parts of existing positions or for other budget categories. *Target areas will be monitored to ensure that all fixed salary increase funds are used.*

- **Target area wage/salary increases**
  Target area increases for FY 2015 may not exceed 2%. Base budget wage/salary funds available because of turnover or other changes may not be used to supplement target increase funds or to supplement the fixed raise amount.

**FY 2015 WAGE/SALARY INCREASE GUIDELINES**

**FY 2015 PAY BANDS**

*Staff members cannot be paid below the pay band minimum.* Career/Pay system pay bands will be adjusted as needed to reflect changes in market values, based on the annual review of survey data. FY15 pay bands will be posted at [http://www.uvm.edu/~ofabweb/](http://www.uvm.edu/~ofabweb/) as soon as they are available.

**INDIVIDUAL INCREASES**

- **Fixed increases**
  It is expected that staff members who began work at UVM prior to April 1, 2014, will receive a wage/salary increase equal to the FY 2015 fixed increase of 2% retroactive to July 1, 2014. In cases of documented unsatisfactory performance or prior written agreement, no increase may be appropriate. *Documentation must have accompanied the budget submissions.*

  *Increases for new staff members hired from outside UVM between April 1, 2014 and June 30, 2014 are optional,* except for those employees whose wages/salaries need to be increased to the new pay band minimum. Fiscal year *increases are required for all current UVM employees in addition to any increase received as the result of an internal promotion or being hired into a new department between April 1, 2014 and June 30, 2014.*

- **Market, equity and extraordinary merit increases**
  After awarding the fixed increase of 2%, there will be no additional increases for market adjustments, equity adjustments and extraordinary merit.

- **Pay band maximums**
  If a staff member’s wage/salary is above the maximum of the pay band and their performance has been satisfactory, they will receive the 2% fixed increase.

- **Delayed fiscal year increase decisions**
  Delayed fiscal year increase decisions are possible when employees are in their probationary period or part of a constructive discipline process through July 1. These delayed decisions must be pre-approved and are allowed only when *specific, written plans accompany the proposed salary file.* All plans must conform to staff wage/salary guidelines. Approved plans, retroactive
to July 1, may be implemented at the discretion of the budget manager.

- **Shift differential premiums and minimum wage rate**
  Shift differentials for eligible non-represented employees 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

- **Minimum wage rate**
  The State of Vermont minimum wage will remain at $8.73/hour. Currently, this is the lowest allowable rate for temporary employees. The State of Vermont typically plans to increase the minimum wage effective on January 1; we will notify you when the change occurs.

- **Wage/salary appeal procedure**
  Staff members who believe they have been treated unfairly in the fiscal year salary process may request reconsideration by the appropriate supervisor and then consult with an Employee Solutions Advisor in Human Resource Services concerning appeal procedures. *Any request for reconsideration or appeal must be initiated promptly.* Adjustments resulting from successful appeals are generally effective in the following budget year if the wage/salary pool has been fully distributed at the time the appeal is concluded.

**SUMMARY OF REQUIRED DOCUMENTATION**

- **Written justification is required to document individual staff wage/salary increases, when:**
  - An individual receives less than the fixed increase of 2%.
  - Delayed fiscal year increase decisions are planned

**WAGE/SALARY NOTIFICATION DEADLINES:**
Wages/salaries are reviewed for accuracy and compliance with these guidelines. Spreadsheets reflecting a 2% increase will be sent to units for review before new salaries are loaded into the system. At that time you may indicate any proposed exceptions, such as a 0% increase or a delayed fiscal year increase. The Vice President for Finance and Treasurer and/or the Provost and Senior Vice President must approved exceptions. Exceptions to these guidelines are not official until you have been notified that the approval process has been completed.

*It is important that each budget director ensures that staff members are informed of what their new compensation is and the rationale upon which it was determined.*

Please contact Ginnie Gude (6-3102) or Nancy Towle (6-1160), if you have questions about these guidelines.