

Fiscal Year 2017 Salary and Wage Administration Policy

The FY 2017 budget includes \$59.5 million in state funds for merit-based pay adjustments and employee recruitment and retention initiatives. The merit increase is to be effective July 1, 2016. The FY 2017 Allocation Sheet reflects the institution's share of these funds.

POLICY: The Board of Regents allocated to each institution funds to provide for salary increases for employees. Salary increases shall be awarded solely on merit, ranging from 0% to a high of 5%. Institution presidents are permitted to narrow the range but may not exceed the range. It is expected that individual merit salary increases will be reasonably distributed among employees based on the range determined by the institutional president. Institutions are required to develop a merit increase matrix demonstrating reasonable distribution. Across-the-board increases are not permitted. Institutions must request **prior approval** from the Chancellor in writing of any merit increases exceeding five percent.

Institutions will need to identify other appropriate sources to fund salary adjustments related to promotions or position reclassifications, adjustments for targeted populations or adjustments to address market and compression issues. Additionally, such salary adjustments must be supported by appropriate documentation (e.g., market analysis or internal salary studies).

Employees covered from other fund sources such as sponsored funds and auxiliary funds will be subject to the same policy requirements noted above and must be paid from the corresponding fund source rather than state funds.

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