

FINANCE COUNCIL MEETING

OCTOBER 30, 2018

Kevin Merkel, GT Human Resources
Jim Kirk, GT Budget Office

CREATING THE NEXT®

MERIT & SALARY ADJUSTMENTS

4 PHASES

- Phase I: Faculty Promotion and Tenure Increases
- Phase II: Campus Minimum
- Phase III: Salary Structure
- Phase IV: Merit

PHASES II & III: CAMPUS MINIMUM & SALARY STRUCTURE

Campus Minimum

- Effective: 10/25/2018 (pay date 11/16) for biweekly, 11/01/2018 (pay date 11/30) for monthly
- Includes rate increases and some compression
- Compression: is when you have small differences in pay regardless of experience, skills, level, or seniority
- Align with Federal Poverty Level for Family of 4: \$25,100 for 2018 + 2% aging for 2019
- Minimum GT: \$12.31 per hour, \$25,605.00 annual
- Impact to grades A1 – A4, C1 – C5, & S1 – S2
- 3.6% increase from current \$11.88
- Approximately 150 employees

Salary Grade Structure

Why would ranges move?

As the general economy changes, ranges are adjusted to stay competitive in our labor market

- Effective: 10/25/2018 (pay date 11/16) for biweekly, 11/01/2018 (pay date 11/30) for monthly
- Adjustment to Min, Mid, and Max for all Family Structures (Administrative, Crafts & Skilled Trades, Development, Information Technology, and Science & Research Support)
- Each range will increase based on the specific market for benchmark roles in the range. Range minimums will increase between 1.5% and 8.0% and the average range minimum will go up 3.9%
- While salary grade ranges are increasing, not all employees will move within the range
- These increases are not based on merit and are not discretionary. Funds may not be transferred from one employee to another

Monthly employees: 1/1/2019 and paid 1/31/2019

Bi-weekly employees: 12/20/2018 and paid 1/11/2019

- Limited funding available
- Employee pay will be held to the fiscal year increase limits established by the Board of Regents salary administration policy, and merit will not be awarded that causes the employee to exceed the cumulative fiscal year limit (13.9% for FY19)
- An eligible employee on a temporary or interim pay is eligible to be considered for a merit adjustment, but any merit increase awarded must be based on his/her pay prior to the temporary or interim increase
- Merit increases will be limited to the maximum of the employee's grade

PHASE IV: MERIT CONT'D. – INELIGIBILITY

- Contractors, students and temporary employees, including Retired-but-Working;
- Employees making a full-time salary of more than \$150,000, or the equivalent part-time rate;
- Employees at or above the pay range maximum of their associated grade;
- Employees within their probationary periods, who were hired on or after July 1, 2018;
- Employees who have received a pay increase for a promotion or position reclassification since July 1, 2018;
- Employees who have **not** completed the 2018 training and certifications for the following: Ethical Standards, Conflict of Interest, and Cyber Security Standards.

- Increases effective January 1, 2019
- May create up to a 2% pool
- Presidents may narrow the range
- Solely awarded on basis of merit – no across-the-board increases
- Range of 0-4%; no exceptions for raises > 4%
- Raises covered by appropriate funding sources

- Limit on scope of merit increases based on funding availability:
 - Modest tuition increases
 - Limitation on resident/non-resident undergraduate mix of 60/40
 - Extensive spending requirements
- Faculty promotion and tenure funding in Original Budgets
- Central allocations only for Resident Instruction/General Operations funded employees for all phases of increases
- Merit and other guidelines applicable *regardless of funding source*
- Non-RI/Gen Ops employees' increases funded through respective sources:

• Auxiliary	• Athletics
• Sponsored	• Alumni Association
• GTRI and EI2	• GT Foundation

1. November 1st OHR actions on Phases II and III – campus minimum & grade increases
2. Budget Office load of salaries into oneBudget merit tool
3. Merit tool – similar to Original Budget and budget amendments:
 - Tool linked to HR data
 - Opened to campus for approximately 2 weeks
 - Instructions/workshops on use of merit tool – financial and HR staff
 - Raise pool methodology statement issued – allocations @ *division level*
4. GTHR and Budget Office review of submissions:
 - Budget Office – total merit increases do not exceed pool
 - GTHR and President's Office – final approval of rates
5. GTHR – approved submissions loaded into HR system
6. Budget Office – RI/Gen Ops allocations in February BA
 - Methodology as agreed with joint Budget Office/Finance Council task force
 - Based on a fixed % (TBD) of all funded non-group positions
 - One-half year allocations, with balance in FY20 Original Budget

Links to More Information:

[FY 2019 President's Letter on Salary/Merit Increases](#) (Revised - 10/25/2018)

[FY 2019 Salary Adjustment Guidelines](#) (Revised - 10/25/2018)

[FY 2019 University System of Georgia Merit Pay Guidelines](#) (4/18/2018)

[Salary Grade Range Structure Changes FAQs](#) (Revised 10/29/2018)

Thank You!