

Campus Guidelines for Non-Classified Salary Increases Effective January 1, 2018

Introduction

Non-classified salary increases based on merit are initiated during the annual budget cycle. Departments should plan for all non-classified salary increases to occur during the annual budget cycle. All raises should begin on July 1 for 12-month faculty/staff and the start of the academic year in mid-August for academic faculty.

Out of budget cycle salary increases for all divisions are governed by Fayetteville Policies and Procedures 318.2 <http://vcfa.uark.edu/policies/fayetteville/hmrs/3182.php> and intended for addressing equity, retention, promotion, and exceptional circumstances as outlined in the definitions section below.

Once approved, the supervisor should provide a letter to the employee confirming the effective date and amount of the out-of-cycle salary increase.

Approval Process

All salary increases must be approved by the dean of the college/school, the associate vice chancellor, or the unit head.

Salary increases of 5% or greater require the approval of the appropriate vice chancellor with raises at 10% or greater requiring the additional approval of the chancellor. Salary increases of 10% or greater should be for exceptional circumstances and have specific justification for the adjustment. This applies to both faculty and staff positions.

All out-of-cycle adjustments will be limited to one per fiscal year per person regardless of the amount of increase and the funding source. Senior-level administrators hired or promoted between January 1 and June 30 are not eligible for a merit increase on July 1 unless previously approved by the chancellor. The letter describing the out-of-cycle increase to the employee should also address whether the employee may be eligible for the next available in-cycle base salary increase.

Funding Requirements

Promotions with funding added to the position and out-of-cycle adjustments for a college, school or unit should be reasonable. All increases should be fully funded by the college/unit. Total amounts of increases on positions must be tracked internally.

Units will submit the amount of the individual increase and the total amount of out-of-cycle increases in the unit when the approval request is initiated in PeopleAdmin7. Any exceptional circumstances should be discussed with the appropriate vice chancellor of the unit prior to initiating the request.

Equity, Retention, and Special Circumstances

Out-of-cycle increases are permitted for adjusting inequity that has been identified since the last budget cycle; for retention in the best interest of the university; and for certain other exceptional circumstances, such as an interim appointment, compensation for increased duties, prevailing wage rate adjustments, or departmental restructuring.

- Out-of-cycle increases may be paid from one-time resources in the fiscal year in which the adjustment is made. However, permanent funding to be allocated from the next year's budget must be identified before the increase is implemented.
- Out-of-cycle increases can begin only on October 1 (due to the vice chancellor by September 15 to be eligible), January 1 (due to the vice chancellor by December 10), or April 1 (due to the vice chancellor by March 15). If an out-of-cycle raise is based on a counter offer, there may be other appropriate start dates (e.g. beginning of the academic year). An increase must be approved before the date it is effective.
- Out-of-cycle increases for H1B prevailing wage adjustments should be considered in advance of the effective date; however, in rare circumstances, retroactive effective dates may be considered.
- No other retroactive increases will be allowed.
- Out-of-cycle adjustments for an individual employee will be limited to **one** per fiscal year.
- Salary increases of 5% or greater require the approval of the appropriate vice chancellor. Salary increases of 10% or more must also be approved in advance by the chancellor.
- All requests must be submitted via the PeopleAdmin7 system using the Out of Budget Cycle Request form, which will be routed through appropriate approvals. You will be asked to provide the following:
 - An explanation for the request being made outside the budget cycle.
 - Funding information. See the Funding Requirements section above for addressing fiscal justification.
 - Market salary data compiled by the college or department for salary increases that are 5% or higher. For those 10% or higher, Classification and Compensation contacts in HR will provide further benchmarking.
 - If applicable, such as for a counteroffer, the offer letter from the competing institution will serve to support the market salary data.

Promotions

By policy posted on the OEOC website, internal promotions are defined as meeting all three of the following criteria: (1) change in the scope of duties; (2) increase in salary; (3) and a change in occupation or state title (i.e. a change in PSB#) and/or a change in working title. If all the OEOC criteria are met and the employee is qualified, the following steps must be taken:

- Requests must be submitted via the PeopleAdmin7 system using the Posting Waiver Request form, which will be routed through appropriate approvals. You will be asked to:
 - Select the position description. If the employee's promotion will occur within the same position, update the position description to reflect the changes in permanent responsibilities that increased the scope and depth of their current position.

- Upload the draft offer letter and the employee’s resume/CV, and any other documents that may be required, such as the Employee Disclosure Certification Form.
- Provide an explanation for the request being made outside the budget cycle.
- Provide market salary data compiled by the college or department for salary increases that are 5% or higher. For those 10% or higher, Classification and Compensation contacts in HR will provide additional information in PA7.
- Provide an explanation for the source of funding.
- Salary increases for promotions within a unit must comply with the Funding Requirements section above. In the funding explanation, include factors such as:
 - The collapse of positions to form a higher position.
 - The amount of additional funding required, if any, for the position into which the employee is being promoted.
- Promotions for an individual employee within the same position number and state title that do not replace another employee/role within the unit are limited to one per fiscal year.
- Promoting an employee to a new position number and state title does not guarantee approval to backfill the existing position.
- Except in the case of hiring temporary faculty while a tenure-track hire is taking place, the position vacated when an employee is promoted into a higher position must be returned to HR if the funding for the vacated position is transferred to the higher position.
- The salary offered in a promotion must be consistent with the market rate and commensurate with the education and experience of the employee.
- The salary for the promotion should not be determined simply because it was the salary of the most recent person or a previous employee in the position, the salary of an individual currently occupying a similar position, or by the amount of the department’s available budget.
- Salary increases of 5% or greater require the approval of the appropriate vice chancellor. Salary increases of 10% or greater must also be approved by the chancellor.
- Promotions may be requested and approved to be effective at any time but cannot be implemented retroactively from the date the vice chancellor/chancellor approved.

Internal and External Postings

External postings are appropriate for all positions. Internal postings, however, are for staff and administrator positions only. Current faculty and staff who compete successfully for a different, higher paying position through a search (such as an instructor to a tenure-track appointment in the case of an external search, or a staff member who competes successfully in an internal or external search for a higher paying position commensurate with his/her qualifications) shall be considered “new appointments.” The following considerations apply to salaries for all new appointments:

- The salary offered for “new appointments” must be consistent with the market rate and commensurate with the education and experience of the selected finalist.
- The salary for the “new appointment” should not be determined simply because it was the salary of the most recent person or a previous employee in the position, the salary of an

individual currently occupying a similar position, or by the amount of the department's available budget.

- Hiring departments shall not utilize internal or external postings for the sole purpose of bypassing the salary increase approvals for the promotion process.
- If requested, hiring departments must be able to justify that adequate notice and opportunity were given to recruit a pool of applicants qualified for the position, whether internally or externally advertised, and all minimally qualified applicants were considered.

Human Resources will track information on percentage salary increases for current employees who are selected via internal/external searches for new appointments and will provide a monthly report of this information to the appropriate vice chancellor.

For the purpose of the salary increase guidelines:

Definitions

Administrator positions: Positions with the state titles of departmental chairperson, assistant dean, associate dean, dean, associate vice provost, vice provost, provost, assistant vice chancellor, associate vice chancellor, vice chancellor, chancellor as well as working titles of assistant director, associate director, director and department head or one of these titles modified by the term executive. Some administrators also hold faculty rank.

Benchmarking: The process of using reputable salary surveys to compare similar positions in external institutions. Appropriate justification for out-of-cycle salary increases of 5% - 9.99% includes market salary data obtained by the department that is specific to the profession or the position. Appropriate justification for out-of-cycle salary increases of 10% or greater is a benchmarking report from Human Resources. Competing salary offers from another institution should also be provided. Free salary information found on the Internet may not be accurate and cannot be used for benchmarking purposes. Occasionally, a job is so unique that market data cannot be obtained. In those instances, please contact HR's Classification and Compensation staff for assistance.

Commensurate with education and experience: The individual's level of education and previous professional experience that is directly related to the new job/duties/responsibilities should be considered in determining appropriate compensation for a new position. Years of experience not related to the position are not considered.

Equity: Ensuring that similarly situated employees that have equivalent responsibilities with about the same degree of knowledge, skills, experience, productivity and seniority are compensated at a comparable rate. Requires a review by the Office of Equal Opportunity and Compliance.

Increased duties: An employee has taken on additional permanent responsibility that increased the scope of his or her current position, but there is no change in title (state or working) or position number. Appropriate justification is an updated position description defining the additional scope in duties.

Interim appointment: A temporary appointment of an existing employee for no more than one year to perform the duties of a vacant or soon to be vacant position, while recruitment is underway to permanently select a successor. Appropriate justification includes an offer letter for the interim appointment.

Promotion: Internal promotions are defined as meeting all three of the following criteria: (1) increased/change in duties; (2) increased/change in salary; and (3) a change in occupation or state title (i.e. a change in PSB#) and/or a change in working title. This definition does not apply to the faculty promotion and tenure process. Appropriate justification is obtained through the promotion process to be completed in People Admin7 and approved by the Office of Equal Opportunity and Compliance and the appropriate vice chancellor.

Restructuring: A reorganization of a college, department, or unit with a view to achieving greater efficiency or to adapt to changing needs. Appropriate justification includes a written plan of the reorganization.

Retention: Efforts to retain an employee in the best interest of the university. The employee must possess a skill set that would be difficult and/or expensive to replace. Examples of appropriate justification for retention purposes include an offer letter in hand from another employer, documented achievements such as professional career awards, outstanding research or publication efforts, or other high productivity results. Efforts to retain an employee from moving to another department within the university would not be considered in the best interest of the university.

Senior-level administrator: An employee in a position of assistant/associate vice chancellor, assistant/associate vice provost, assistant/associate dean, dean, vice chancellor, or provost, or one of these titles modified by the term executive.

Unit: The unit level may be defined as colleges/schools (dean level), provost office, vice provost unit, associate vice chancellor. Each vice chancellor will determine the process for implementing the guidelines within their units.