


UNIVERSITY OF WYOMING

Date: February 24, 2009
To: Vice Presidents and Athletic Director
From: Thomas Buchanan, University President 
Subject: Central Salary Management (CSM) Policy

President Buchanan has directed that the University implement a new policy with respect to classified staff positions. The policy governs the salary funds that will be retained on classified staff lines when vacancies occur or when budgets are established for new positions. This memo explains this Central Salary Management (CSM) policy and describes some of the details that will arise in managing it.

Policy

Effective March 1, 2009, funding for classified staff positions that become vacant or any budget established for new positions will be set at 15% into the pay grade. All Section I programs will relinquish funds in excess of 15% over the minimum pay grade for positions vacated by benefited staff after February 28, 2009. Programs will process permanent budget transfers moving the excess funds into a central account that will be used to account for the funds as described below. Classified staff positions funded through self-sustaining accounts will also be restricted to salary funds equal to 15% into the pay grade although the excess funds will not be transferred to a central salary pool.

This policy:

- Applies only to salaries associated with vacated classified staff positions, not to the salaries of staff employees currently in positions
- Leaves positions in the units where they are vacated
- Allows managers to move vacated classified staff positions, not to refill them, or to change the duties associated with them
- Does not allow units to redefine vacated classified staff positions as administrative professional (at-will) positions

Details of implementation

Exceptions. A dean or director may request restoration of some portion of the funds that have been relinquished in the CSM process in the event a classified staff position vacancy cannot be filled at the new starting salary. Successful requests will be rare; they will require, as necessary conditions, exceptional circumstances and solid, written justifications submitted to the Vice President for Administration. Justifications may include but are not limited to: (1) clear evidence of inability to recruit a pool of qualified candidates at a salary 15% into the pay grade (2) a staff position description requiring exceptional knowledge, skills or abilities justifying additional compensation; or (3) inadequate funds left on the vacated line to hire at 15% into the pay grade. These requests should be submitted on the **Salary Authorization Request** form posted on the Human Resources web page.

The Vice President for Administration will make the final determination about whether to authorize an exception.

Position audits. Position classification audits resulting in an upgrade to the classification are permitted, however, the incumbent's salary will not increase as a result of the audit. Position classification audits resulting in a downgrade to the classification are permitted and the incumbent's salary will be maintained at the current level. Should an audit of a vacated staff position result in a reclassification to a lower pay grade, the unit may retain the salary savings resulting from the audit, i.e. the difference between 15% into the original pay grade and 15% into the new pay grade.

Promotions. When an employee is promoted to a position in another classification at a higher pay grade, the appointing authority may approve a salary increase not to exceed a salary above 15% into the new pay range if the employee's current salary is below that level, or the employee's current salary, whichever is higher.

Lateral (in-grade) transfers. A lateral transfer to a position of the same classification or a classification of the same pay grade will result in no change to the employee's salary. Note: In this case the program acquiring the employee will retain sufficient funds to cover the transferring employee's previous salary to the extent the employing unit had sufficient funds budgeted on the line to accommodate that salary. If the previous salary for the transferring employee exceeds the funds budgeted for the line, the employing unit may (a) decline to hire the employee or (b) reallocate sufficient funds to cover the salary obligation. The hiring unit must relinquish excess funds should the salary for the new employee be less than the funds budgeted for the position.

New employees. Starting salaries for new classified staff hires will be established at plus 15% of the assigned classification's pay grade.

Completion of probationary period. Upon successful completion of the probationary period, classified staff employees are eligible to receive a salary adjustment comparable to the percentage amount granted for the general university salary policy for the year. Units must retain funds within their pool of funds from the salary adjustment to accommodate these increases.

Calculating budget transfers

To calculate the amount of funds to transfer, units should follow the example below:

The employee in position 0901 terminates 2/13/09. He or she has a vacation balance of 40 hours and elects a lump sum payment for this leave. The salary for this employee in pay grade 18 is currently \$36,792 or \$3,066 per month. The starting salary for this pay grade at 15% into the pay grade is \$32,628 or \$2,719 per month. Since the vacation balance adds another five days to the termination pay, the employee will receive more than half of February's pay. Rounding up, he/she worked eight months this fiscal year.

The amount to transfer for this fiscal year is the current monthly pay minus the minimum plus 15% monthly pay multiplied by the number of months remaining in the fiscal year calculated as follows:

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Current pay rate	\$3,066
15% into pay rate	<u>(\$2,719)</u>
Differential	\$ 347
Times months remaining	<u>x 4</u>
Transfer Amount	\$1,388

The permanent transfer (the amount that the budget will be reduced for FY 2010) will be the difference multiplied by 12 ($\$347 \times 12 = \$4,164$). This reduction will be captured during preparation of the FY 2010 budget.

Use and allocation of captured CSM funds

SECTION I BUDGET

Salary funds captured through the CSM process will be directed toward two institutional priorities. The first priority will be utilizing these salary savings to partially mitigate university budget reductions that may occur as a result of diminished state revenues accompanied by directives from the Governor or the Legislature to reduce the institution's budget. In the event there is no mandate to reduce the University budget, the University President will determine the amount of captured funds that will be released for allocation to the University's divisions and also will establish institutional-level priorities for the uses of the captured funds. The President (or designee) will then determine specific allocations among the divisions in response to prioritized requests for uses of those funds from the Vice Presidents for Academic Affairs, Administration, Student Affairs, Research and Economic Development, Information Technology, Governmental, Community and Legal Affairs, and the Athletic Director. Each Vice President and the Athletic Director will implement a process within her or his division for soliciting and prioritizing requests for reallocated funds. Decisions on allocating these funds will be made on an annual basis after the start of a new fiscal year.

Uses of CSM captured funds may include, but are not limited to:

- Responding to mandated budget cuts
- Addressing budget shortfalls in critical areas of the University's core mission
- Funding new classified staff positions, especially to redirect staff hiring to priority areas of need
- Funding other priorities for academic program, student, or employee support as identified in University Plan 3: 2009-2014

SECTION II BUDGET

Salary funds captured through the CSM process in units with Section II (self-sustaining) funds will be placed into a separate account within the unit or program. Requests to utilize these salary dollars for exceptions to the CSM policy will follow the same process as outlined above for Section I programs. Funds accumulated in these units may be prioritized on an annual basis for unit or program needs or may also be directed toward mitigating university budget reductions.