

# **Salary Adjustment Policy Overview**

## **Talking Points for P&S Staff**

- Salary adjustments may occur for reasons of performance (merit), market, equity, or retention
- General financial parameters and guidelines will be established each year as part of the budget development process and will be communicated by the EVP/Provost Office
- Salary adjustments are subject to available funding. The policy applies to all funding sources.

### **Performance Adjustments**

- Merit salary increases are effective on July 1 (start of fiscal year) and are based on:
  - Annual budget parameters from EVP/Provost Office
  - Completion of a documented annual performance evaluation for each employee
- Merit salary increases at other times during the fiscal year should be rare and require additional administrative review and approval
- Merit salary increases may be composed of two components – a base salary percentage increase (specified in budget memo) and a percentage increase in recognition of above satisfactory (or exceptional) performance
- Supervisors should differentiate performance levels and use merit salary increases to reward performance
- Supervisors should also be conscious of where an individual employee is in relation to their salary grade – may not be able to provide the desired performance adjustments for individuals at the top of the range
- Supervisors should also, as part of ongoing reviews, evaluate if employees are performing higher-level duties where a request for a reclassification may be more appropriate for P&S Staff

### **Market or Equity Adjustments**

- Adjustments to salaries may also be made when there is an issue resulting from market or other equity factors
- Equity factors exist from internal pay disparities and are not related to individual performance and can be corrected with a salary adjustment which can occur on July 1 or other times during the year
- Supervisors should consult with the HRS Classification and Compensation Office for questions of market rates for P&S Staff
- Approval for market or equity adjustments is subject to approval of the appropriate Vice President or EVP/Provost

## **Retention Adjustments**

- Retention adjustments are rare and occur under special circumstances.
- Retention adjustments may occur at any time during the year
- Adjustments are subject to approval by the appropriate Vice President or EVP/Provost