

# 2017-2018 Compensation Plan

*Approved by the Board of Trustees March 29, 2017*

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The 2017 Legislature appropriated new funding for a 2.0 percent labor market adjustment and 8 percent medical benefits premium increase for higher education employees. This appropriation is comprised 75 percent by new tax funds with 25 percent funded through a first-tier tuition increase. Beyond this legislative appropriation, UVU is allocating revenue from first-tier tuition increase toward an additional 1 percent salary and wage adjustment. The distribution of these new compensation funds for 2017-18 is described below.

## Benefits

UVU's Benefits Committee (with representation from Faculty Senate, PACE and administration) reviewed UVU's benefits plan based on plan performance, forecasted costs/claims experience, plan design, and strategic objectives. Based on the forecasted medical and prescription costs/claims experience and plan design changes, the premiums for UVU's base medical plan (Traditional-Choice Plus) will increase by 8 percent for 2017-18. Premiums for UVU's Long-term Disability plan will increase by 9 percent.

Medical Plan Premiums—UVU will continue to pay 90 percent of the medical premium for employees enrolled in UVU's base medical plan (Traditional-Choice Plus) and 100 percent of the medical premium for employees enrolled in UVU's High Deductible Choice Plus plan. For 2017-18, UVU will continue to contribute to Health Savings Accounts (HSA) for employees enrolled in UVU's HDHP. Employee premium share in UVU's Traditional Options plans will increase from 13.08 percent to approximately 15.24 percent. Employee premium share in UVU's High Deductible Options plan will increase from 3.29 percent to approximately 4.60 percent.

Medical Plan Coverage—Some plan changes are being made to the Traditional Choice and Options plans. These changes include increases to out-of-pocket maximums for medical and pharmacy, increase to emergency room copay and coinsurance, and increase to pharmacy deductible. For 2017-18, UVU will continue to offer employee incentives for participation in the UVUFit Employee Wellness Program.

## Salaries/Wages

### Full-time, Benefit Eligible Employees

The *average* base salary increase for full-time employees in each employment category (faculty, staff, executive) for 2017-18 will be 3 percent. In alignment with UVU's Compensation Philosophy, these funds will be applied to base salaries as follows:

- A. Effective July 1, 2017, all full-time benefits eligible employees employed as of June 30, 2017 will receive a \$250 increase to annual base salary. (average across all faculty salaries = 0.33%; average across all staff salaries = 0.53%; across all executive salaries = 0.19%)
- B. Faculty in good standing\*\* may also be eligible to receive
  - a. Rank and tenure promotion (merit) increase (average across all faculty salaries = 0.34%)

- b. Market equity adjustment based on criteria including tenure status, terminal degree, and proximity of base salary to market median for similar rank and discipline with a minimum increase of \$250 and a maximum increase of \$4,000.(average across all faculty salaries = 2.08%)
- c. Targeted key retention based on guidelines and as recommended by the Dean in consultation with Academic Affairs and Human Resources (average across all faculty salaries = 0.25%)

*\*In good standing (did not receive a negative annual evaluation, not in the terminal year of a tenure track position, or on paid or unpaid leave in accordance with University Policy 162 and 165) as of July 1, 2017.*

- C. Staff in good standing\*\* may also be eligible to receive
  - a. Market equity/range penetration adjustments as recommended by the appropriate Vice President in consultation with Human Resources based on market median movement, years in current position, and proximity of base salary to market median with a minimum increase of \$250 and a maximum increase of \$4,000. (average across all staff salaries = 0.71%)
  - b. Merit increase determined by applying the University's established Staff Merit Pay Program criteria—2016 performance evaluation scores and proximity of base salary to market median (compa-ratio). To be eligible for a merit increases, the employee must have been employed in a full-time staff position no later than July 1, 2016, and the 2016 Performance Evaluation must be submitted to Human Resources no later than March 31, 2017. (average across all staff salaries = 1.51%)
  - c. Targeted key retention based on guidelines and as recommended by the appropriate Vice President in consultation with Human Resources (average across all staff salaries = 0.25%)

*\*\*Completed 2016 Performance Evaluation no later than March 31, 2017, and be in good standing (not under a Written Warning Notice, Final Written Warning Notice, or on paid or unpaid leave in accordance with University Policy 162 and 165) as of July 1, 2017.*

- D. Executives (excluding the President whose salary is determined by the Board of Regents) may also be eligible to receive
  - a. Key retention/market equity adjustments as determined by the President in consultation with Human Resources (average across all executive salaries = 2.81% percent)

### **Adjunct Faculty**

In an effort to bring adjunct faculty pay rates more comparable with regional universities, adjunct pay rates will increase by 3.04 percent. Appropriated hourly faculty budgets will be increased by 3.04 percent to fund this increase. Based on assessment by Human Resources and Academic Affairs, the structure of the adjunct scale is being modified.

### **Part-time, Hourly Staff and Student Employees**

All hourly staff will receive a 3 percent increase to their hourly pay rate effective July 1, 2017, and the Student Hourly Rate Scale will be increased by 3 percent. Appropriated hourly budgets will be increased by 3 percent to accommodate this increase.

