

**UNIVERSITY OF MICHIGAN HEALTH SYSTEM
2011-2012 FACULTY AND STAFF SALARY ADJUSTMENT GUIDELINES**

(APPLIES TO SALARY ADJUSTMENTS THROUGHOUT THE YEAR)

Please utilize these guidelines to initiate decision-making related to salary adjustment decisions throughout the fiscal year, starting 7/1/11. **Please read the entire document, including the approval process.**

UMHS is committed to maintaining a compensation program that attracts and retains a highly qualified and diverse workforce. Within the boundaries of financial feasibility, employee compensation will be externally competitive and internally equitable.

We administer pay without regard to race, gender, ethnicity, religion, national origin, veteran status, sexual orientation or identity, disability, age, and other categories protected by state and federal law. We administer compensation policies and programs that support competitive and equitable pay based on like duties and responsibilities, comparability of backgrounds, performance contributions, and available resources.

Staff 2012 Fiscal Year Guidelines

- Staff members are to be paid at least \$21,850 effective with this year's salary program dates as aligned with the University minimum full time rate for regular staff members.
- Throughout the 2012 fiscal year, **exclusive of 9/1/11 adjustments**, the combination of base/salary supplement increases cannot exceed 8% (on the base salary as of 9/1/11) without Corporate Officer/ Dean's Office approval. Please note that any base/salary supplement increases given between 7/1/2011 and 8/31/11 will be calculated into the 8% fiscal year limit.
 - A promotional increase is generally defined as an increase in base pay to recognize a significant change in a staff member's job responsibilities and the subsequent assignment of a new market title with a higher pay range.
 - An Administrative Differential and Added Duties Differential increase is generally used to recognize a temporary but significant increase in the level of responsibilities.
 - An equity increase is defined as an increase to ensure an equitable internal pay relationship between staff members based on a comparison duties and responsibilities, comparability of backgrounds, and performance contributions. Equity between staff members should be based on relevant factors, within the context of a central or unit-level salary setting approach approved by UMHS Human Resources.
 - A market adjustment is defined as an adjustment to recognize a significant market movement.
- One-time Salary Supplements may not exceed \$3,000(FY12 fiscal year, cumulatively), **excluding 9/1/11 one-time salary supplements**, without Corporate Officer/Dean's Office approval and are subject to the fiscal year limit of 8% (on the base salary as of 9/1/11). One-time Salary Supplements given between 7/1/2011 and 8/31/11 will be calculated into the 8% fiscal year limit.

- One-time Salary Supplements may be used as an alternative to base adjustments due to a variety of factors, base salary above market, internal equity considerations, etc.
- A mid-year merit increase is an option for those staff for which the most recent merit increase was deferred or to recognize exceptional performance mid-year. **The combination of the 9/1/2011 merit increase and a mid-year merit increase cannot exceed 8%** without Corporate Officer approval.
- A differential between the supervisor's salary and the **average** salary of staff supervised of at least 5% should be maintained.
- Split funding for an individual requires coordination between funding departments to determine amount of any base pay adjustment or Salary Supplement.

Staff 2012 Fiscal Year Approval Process

- To ensure an efficient process, all base pay adjustment increases, one-time Salary Supplements, or a combination thereof that require Corporate Officer/Dean's Office approval per the guidelines, require review by your UMHS Human Resources Consultant **prior to** submission for final approval to the appropriate Corporate Officer/Dean's Office.
- All **formal departmental incentive programs** require review and approval by your UMHS HR Consultant and your Corporate Officer/Dean's Office to ensure regulatory compliance, use of appropriate earnings code, and alignment with UMHS compensation program objectives. Please forward a copy of your department incentive program description to your UMHS HR Consultant and Corporate Officer/Dean's Office for review and approval by 8/12/11.
- All exception requests related to **Additional Compensation for Additional Work Hours for Non-Bargained for FLSA Exempt Staff Members** require review by your UMHS HR Consultant and (re) approval by 8/12/11 to ensure regulatory compliance and alignment with UMHS compensation program objectives.
- UMHS guidelines on Additional Compensation for Additional Work Hours for Non- Bargained for FLSA Exempt Staff Members are located here: http://www.med.umich.edu/umhshr/doc/7_1_2009_UMHS_Gdlines_Comp_Add_WorkHrs_ExemptStaff.pdf . Exception request/approval forms can be provided by your UMHS HR Consultant or by emailing UMHS-Compensation@med.umich.edu

Faculty 2012 Fiscal Year Approval Process

- All faculty increases require Dean's Office approval.

If you need assistance regarding salary equity concerns or working with the merit increase procedures, for staff contact the appropriate Human Resources Office for guidance and information and for faculty contact Deb Komorowski or Cherie Saunders. For staff, inquiries may also be sent to UMHS-Compensation@med.umich.edu