

Colorado State University Extension Salary Raise Guideline Proposal 2015

INTRODUCTION

In the Fall of 2014 a Salary Task Force was formed by DAC at the request of Extension Staff to evaluate all aspects of CSU Extension Personnel Salaries. The main focus of the task force initially was to provide education and transparency with how Extension salaries are calculated and how the Salary Raise process is applied to all Extension personnel. The task force has developed a proposal for Extension personnel to consider regarding the salary raise calculations during the Salary Increase Exercise (SALX) process.

Salary raise guidelines must adhere to the SALX process, which is the mechanism by which colleges, departments, and units enter their salary increases for the new fiscal year. Colorado State University administers this annual process for salary adjustments that are implemented on July 1. Colorado State has a duty and responsibility to treat all employees in a consistent and fair manner relative to salary and benefit administration within the annual salary increase pool. Each unit shall develop a plan that **must include a merit-driven process** to guide individual salary decisions. While each department and unit must be concerned about consistency, the University must exert an effort to assure that there are no material inconsistencies between department/unit implementation of the salary exercise. Justification for all salary adjustments must be formally documented, and able to withstand independent review. This is the definition from the CSU Office of Budgets.

Each year the Office of Budgets will issue a **control number** based on the established merit increase percent. This number is the total of all salaries multiplied by the percent increase for each department or college. Unless specifically approved by the Operations Committee of the President's Cabinet, the sum of all college/unit merit increases for all fund sources may not exceed the control total.

Colleges/units DO NOT receive base budget increases based on the salary increase amounts distributed to employees through the salary exercise. It is important to note that the CSU Budget process and the CSU SALX process are completely independent of each other. The set control number is calculated by the CSU Office of Budgets and the total amount of raises that CSU Extension allocates during the internal implementation of the SALX process cannot exceed the control number. Therefore Extension is limited with the amount of raises it can give by the control number.

Currently, CSU Extension salary increases are calculated using a specific raise percentage that is attributed to each Performance Appraisal rating, then applied to an employee's individual salary based on their merit. The Salary Taskforce reviewed this process and identified it as an area that could be improved upon.

The primary purposes of the new salary raise guidelines are to:

1. Reduce the ranges of salaries given to employees within the same performance rating. There will always be a range in salary increases, however the taskforce desires to reduce this amount. Currently, across CSU Extension, merit raise differences are as follows:

Meets = \$700 - \$1,200 or a range difference of \$500
Exceeds = \$1,000 - \$1,900 or a range difference of \$900
Exemplary = \$1,300 - \$3,100 or a range difference of \$1,800

2. Increase the salary raise difference between performance ratings.
3. Reward performance equitably across Extension.

2016 SALARY INCREASE CALCULATION PROPOSAL

For fiscal year 2016, salary-based merit increases will be calculated using a fixed percentage increase to the salary and a fixed dollar amount based on an individual's performance rating.

The CSU Extension Regional Directors and Finance department will work together to set the associated fixed percentage and performance-based increase amount for a given year.

The specific percentage increase and the fixed dollar amount will change every year based on the SALX control number and distribution of performance ratings.

Employees that are rated above average will receive an increase in salary at least the average university merit increase percentage.

Example of new salary increase calculation: (This is only an example, and numbers will change from year to year.) If an employee's salary is \$60,000 and the CSU Office of Budgets sets the SALX control number at 2.5% then an employee's increase in salary may look like the following based on their performance rating:

Meets: 1% + \$100 = \$700
Exceeds: 1% + \$900 = \$1500
Exemplary: 1% + \$1400 = \$2000

With salary increase calculations set using the above example across all CSU Extension salaries, the range within a performance rating are reduced as follows:

Meets = \$500 - \$900 or a range difference of \$400
Exceeds = \$1,300 - \$1,700 or a range difference of \$400
Exemplary = \$1,800 - \$2,200 or a range difference of \$400

This proposal is sent forth by the 2015 Extension Salary Task Force members to the Director's Advisory Council for its review.

2015 SALARY TASK FORCE MEMBERS

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