

CSU Extension Formula Position Share Annual Increase Methodology

FORMULA SHARE — REVIEWED ANNUALLY & ADJUSTED

The formula for County funding toward CSU hired extension agents is set annually and reviewed based on annual salary updates due to cost of living and merit increases. These cost of living and merit increases are set overall by the CSU Board of Governors. Based on these increases, the formula share is increased annually as follows:

- Average of current agent/director positions is multiplied by the approved CSU salary increase amount. This is the estimated salary increase amount.
- CSU new fringe rate* amount is multiplied by new salary rate.
- Current Average Formula Funded compensation amount is subtracted from Estimated Average Formula Compensation = annual increase amount. Increase amount is then divided by the Current Average Formula Funded Compensation to equal the total percent increase.
- Current formula amount is multiplied & increased by the percent increase and then amount is rounded to the nearest hundred dollars.

Example using fiscal year 2019:

<i>Current Average Formula Funded Salary - 1.0 FTE</i>	<i>\$60,000</i>
<i>Current annual fringe expenses at 28.2%</i>	<i>\$16,920</i>
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<i>Total CURRENT Average Formula Funded compensation</i>	<i>\$76,920</i>
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<i>Annual CSU salary increase- 4% (60,000 X 4% = \$2,400 increase)</i>	<i>\$62,400</i>
<i>Benefit increase over prior year (0.5%), or 28.7%*</i>	<i>\$17,908.80</i>
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<i>Total ESTIMATED Average formula funded compensation</i>	<i>\$80,308.80</i>
<i>Total % increase of cost over prior year*</i>	<i>4.41%</i>
<i>Prior Year Formula amount \$14,100 for CY 2019 multiplied by 1.0441</i>	<i>\$14,721.81</i>
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<i>New Formula Amount</i>	<i>\$14,700</i>

NOTES:

**CSU Fringe rate increases are provided by CSU actuary/cost-accounting unit and adjusted annually each fiscal year.*

The formula percent increase is recalculated annually, as part of CSU Extensions annual budgeting process.

CSU operates on a fiscal year basis from July 1 to June 30.