

**REVISION OF POLICY 26  
and  
APPROVAL OF INSTITUTIONAL SALARY INCREASES**

Policy 26, *Salary Policy*, provides:

- 2.1 Each year, or from time to time as deemed appropriate, the President shall present to the Board a plan for the distribution of general salary increases to employees of the University. This plan shall address increases for all employees other than the President.
- 2.2 The general salary increase plan shall be developed after state-wide salary mandates have been accounted for. Statewide salary mandates shall include salary increases for faculty promoted in rank and required incremental funding of the classified employee 'entry rate', if applicable.
- 2.3 After the cost of state-wide salary mandates has been separately accounted for, the President's general salary increase plan shall be submitted to the Board for approval.
  - 2.3.1 The plan shall reflect separately the total projected costs of aggregate salary increases for faculty, for non-classified employees, and for classified employees.
  - 2.3.2 The plan shall reflect the aggregate percentage increase in salary to be paid to faculty, non-classified, and classified employees.
  - 2.3.3 The percentage of aggregate increase in salary for each of the three groups of employees shall be comparable, but not necessarily equivalent; provided, that the President may present in the plan a proposal for non-comparable percentage increases among the three groups, for good cause shown.
- 2.4 The Board shall act, in response to the plan submitted, to establish the aggregate dollars to be allocated each year for general salary increases for each of the three groups of employees. The aggregate increase in dollars shall be distributed in accordance with Sections 3, 4 and 5 of this Policy.

Last year the Board approved institutional salary increases which provided for full funding of the Classified Employees Salary Schedule. The HEPC is now engaged in a legislatively-mandated comprehensive review of the State-wide personnel policies, but no updates to the Salary Schedule have been adopted, or even formally proposed. The Code provides that the governing boards may provide salary increases to classified employees which exceed the levels established in the salary schedule, consistent with the provisions of the Board's Salary Policy.

As to classified employees, the current Salary Policy provides:

**SECTION 4. CLASSIFIED STAFF SALARY POLICY**

- 4.1 Salaries of classified employees shall be set consistent with Article 9, Chapter 18B of the Code of West Virginia and Series 8, as amended by the Higher Education Policy Commission.
  
- 4.2 In computing the salary increases for all classified employees continuing in employment, the target salary under the salary schedule set forth in Section 3, Article 9, Chapter 18B of the Code of West Virginia, as amended, shall be identified. The gaps between the target and current salary shall be established. Salaries of all classified employees shall be increased in equal proportions toward funding of all gaps.

This language is now obsolete, due to the full funding of the schedule. It is proposed to amend this section of Policy 26 in the manner provided in the following pages, establishing a new Shepherd University Salary Schedule. This proposed revision to the Salary Policy has been available for comment since mid-July, and no comments have been received. The proposal was presented for informational purposes to the CEC in July and reactions were favorable. This schedule would for the current year. The chart was constructed by assuming a 4% institutional aggregate raise and implementation of the provisions of Section 2, set forth above.

Because senior employees with more than 15 years of experience have been moving toward a fixed target in the schedule, it was felt that some special accommodation of their interests was merited. A 16<sup>th</sup> column was created, utilizing differentials consistent with the differentials established in the statutory chart. After the fiscal impact of that new column was calculated, all dollar figures in the chart, including the new column, were adjusted upward by an equivalent percentage to the extent that the raise pool would cover the expenses. This resulted in all figures in the statutory chart being increased by 1.41%.

For the October 1, 2008 raises, the University has proceeded in its budget-planning with a goal of achieving a 4% aggregate increase.

Consistent with our prior practice, new faculty with start-dates on or after July 1, 2008 would not be eligible for the October salary increases (this also includes those faculty who are beginning new tenure-track contractual status, unless they qualified last year for faculty merit pay). Comparably, new non-classified employees with start-dates on or after July 1, 2008 will not be eligible for salary increases. For classified employees, “years of experience” for funding on the salary schedule is calculated on a July 1 basis, and an employee must have worked at least 9 months to gain a year of experience credit. Therefore, new classified employees whose start date is after October 16, 2007 will not be eligible for a step increase because they did not accumulate a year of experience-credit as of July 1. These new classified employees would receive a salary increase because the entry rate in the new Salary Chart would increase by 1.41%.

The 4% aggregate salary increase will cost \$638,727. Under the provisions of Section 2.2 of the Salary Policy, the funds are distributed as follows:

	Base Salaries	Raise Pool
Faculty	\$7,000,950	\$267,908.05
NC	\$3,538,781	\$135,419.90
classified	\$5,428,462	\$207,733.05
<b>SU \$ 7-1-08</b>	<b>\$15,968,193</b>	
4%	\$638,727.	
Faculty Promotions	\$27,667	
Bulk Raise Pool	\$611,061.00	
Groups %	3.8267%	

Classified employees raise funds would be distributed consistent with the new Salary Schedule. Faculty and Non-Classified raise funds would be distributed pursuant to the across the board and merit pay provisions of the Salary Policy.

The following resolutions are recommended for adoption by the Board:

RESOLVED, That the Shepherd University Board of Governors approves the amendments to Policy 26, Salary Policy, as presented in the agenda book of September 11, 2008; and

RESOLVED, That the Shepherd University Board of Governors approves and ratifies the salary allocations as presented in the agenda book of September 11, 2008.