

UNIVERSITY
— of —
PITTSBURGH

FY18

ANNUAL
SALARY INCREASE POLICIES AND
PROCEDURES MANUAL
annual increase administration & eligibility

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ANNUAL SALARY INCREASES

policies and procedures overview

This manual is designed to provide guidance on the University annual salary increase policies and procedures.

The annual salary increases provided by the University of Pittsburgh are intended to address:

- Maintenance salary increases for satisfactory performance
- Merit salary increases
- Market and equity adjustments

The annual salary increase guidelines outlined within this manual are intended to assist with processing annual salary increases in accordance with the University policies and procedures.

For step-by-step guidance on how to set up roster security and submit annual salary increases via the online roster, a [How to Submit Annual Salary Increases Guide](#) is available online.

WHO CAN RECEIVE AN ANNUAL SALARY INCREASE

The following employees can receive an increase via the online roster:

- Full-time and part-time Staff
 - *Excludes:* Union and Temporary Employees
- Full-time Faculty and Research Associates
- Part-time tenure, tenure stream, non-tenure stream Faculty
 - *Excludes:* Single term appointments

HOW TO SUBMIT ANNUAL SALARY INCREASES

APPROVALS

All annual increases **must** be approved by senior leadership. When using the online process, the final rosters cannot be submitted without the necessary senior leadership approvals. If submitting an Employee Record (ER) to process the annual increase, **senior leadership signatures must be obtained first**. Increases will not be processed without all required approvals present.

IMPORTANT DATES

JULY 1, 2017

Effective date of data extracted from the HR/Payroll system for the online salary increase roster

Effective date of Fiscal Year 2018 salary ranges*

*FY18 ranges are displayed on the roster and can be viewed online: [Staff Salary Ranges](#)

JULY 25, 2017

Annual salary increase roster is made available to departments

AUGUST 25, 2017

Final date for **RC Administrators** to approve salary increase roster and return for final processing

AUGUST 31, 2017

Final rosters must be approved by the **Final Approver** (*Senior Officer Representative*) by **NOON** with all records marked **Approved**

SEPTEMBER 8, 2017

Employee Records are due, complete with all required signatures, in the Compensation Department to ensure processing for September payroll

SEPTEMBER 15, 2017*

Biweekly Payroll is paid.

SEPTEMBER 29, 2017*

Monthly payroll is paid.

*Includes FY17 annual salary and retroactive salary payment for increases effective between July 1 & September 1, 2016

QUESTIONS?

OFFICE OF HUMAN RESOURCES COMPENSATION

DEPARTMENT

(412) 648-5049

For all questions related to:

- Staff
- Executives (*Non-Academic Appointments*)
- Online roster processing
- Employee Records (ER)
- Eligibility

FACULTY RECORDS

(412) 624-4232

For all questions related to:

- Faculty
- Research Associates
- Teaching Assistants
- Teaching Fellows
- Graduate Student Assistants
- Graduate Student Researchers
- Executives (*Academic Appointments*)

PAYROLL

(412) 624-8070

payrollinfo@cfo.pitt.edu

For all questions related to:

- Retroactive salary payments
- Processing schedule

TECHNOLOGY HELP DESK

(412) 624-HELP (4357)

For all questions related to:

- Accessing the annual salary increase roster

INCREASE POOL

For fiscal year 2017 (FY17) the operating budget approved by the Budget and Executive Committees included a **2.25%** salary increase pool.

The **2.25%** allocation includes:

- **1.5%** for maintenance (*Satisfactory Performance*)
- **0.75%** distributed to the responsibility center (*Merit, Market, & Equity*)

RETROACTIVE PAY

Retroactive pay eligibility is based on the effective date of the annual salary increase, not on the processing date. Annual salary increases are effective at the start of the new fiscal year, July 1, 2017, with limited exceptions. The exceptions to this rule include those individuals who are on a Provisional Period, Performance Improvement Plan (PIP), or an Unpaid Leave of Absence between July 1, 2017 and September 14, 2017 and staff on a less than twelve month assignment. For these annual increases, the effective annual increase date is determined based upon return to work or start of the new assignment period (**FIGURE 1, p. 8**).

Annual increases with an effective date between July 1, 2017 and September 1, 2017 are processed in the September 2017 paychecks. Any retroactive pay for these employees will be calculated appropriately by the Payroll department and included in this paycheck. Those employees with an annual increase effective date later than September 1, 2017 will receive their annual increase in a subsequent paycheck, based upon the date when the increase is processed.

COMMUNICATING INCREASES TO EMPLOYEES

All employees should receive a letter from their department explaining the amount and basis of their annual salary increase. Those whose performance is deemed unsatisfactory should be informed in writing of the specific reasons for that judgment. Should poor performance result in a lower than maintenance annual increase, documentation should be provided to the Compensation Department.

Employees have the ability to dispute annual increases. Providing detailed and accurate communications is essential to assist with mitigating these rebuttals.

Note: When communicating increases to employees, emphasis can be placed on the **DOLLAR AMOUNT** of an increase, rather than the percentage.

ANNUAL SALARY INCREASE COMPONENTS

MAINTENANCE (SATISFACTORY PERFORMANCE) All University staff members who have maintained satisfactory performance over the prior year are eligible to receive a maintenance salary increase. For FY18, the maintenance increase is **1.5%**. Any increase provided in excess of the maintenance amount should be provided to award for exemplary performance or to address equity concerns.

For FY18, the allocation of funds for **MERIT & PERFORMANCE** and **MARKET & EQUITY** equals **0.75%**.

MERIT & PERFORMANCE If an employee has performed above expectations and received a positive annual performance review, annual salary increases can be used to provide a merit increase to those individuals.

MARKET & EQUITY ADJUSTMENTS In situations where salary inequities exist or market adjustments are necessary, annual salary increases can also be used to address those concerns.

Note: Additional increases for **MERIT & PERFORMANCE** or for **MARKET & EQUITY** adjustments must not exceed the salary increase funds available.

MANAGER RESOURCES

ANNUAL SALARY INCREASE POOL: OVERVIEW

Annual salary increases are intended to reward employees for work performance over the prior year (**JULY 1, 2016 THROUGH JUNE 30, 2017**). All University faculty and staff members who have maintained satisfactory performance over the prior year are eligible to receive an annual salary increase. Staff members who are grant funded and have met satisfactory performance expectations must be provided an annual salary increase in the same manner as University funded positions.

The total annual salary increase pool for FY18 is **2.25%**. It is important to note that an annual salary increase pool of 2.25% **does not** ensure that each employee will receive an annual increase of 2.25%. As a result, it is important to use the increase pool strategically to produce the most impactful outcome. To most effectively utilize the annual salary increase pool, it is recommended that annual salary increases be awarded with consideration of both annual performance reviews and effective budget management.

HELPFUL HINT

The **ANNUAL INCREASE POLICY** (*University of Pittsburgh Policy 07-09-01*) is online: <http://www.cfo.pitt.edu/policies/policy/07/07-09-01.html>.

STAFF SALARY ADMINISTRATION

guidelines for administering staff annual salary increases

The salary administration guidelines below provide an overview of annual increase policies and procedures and how to process annual increases in each circumstance. Annual increases not processed online must be submitted on an Employee Record.

Note: Some situations will require the department to submit a zero percent increase through the online roster. Roster **NO INCREASE REASONS** are documented in the [How to Submit Annual Salary Increases Guide](#). For each guideline below, if applicable, the zero percent increase reasons have been notated. Departments should set aside sufficient funds to cover any increases later in the year, which may result from any of the reasons outlined below.

LEAVE OF ABSENCE

A Leave of Absence is any authorized leave from the University for medical or personal reasons and can be either paid or unpaid. Short Term Disability (STD) is considered an Unpaid Leave of Absence for the purposes of calculating annual increases. Staff members who have been on a Leave of Absence at any time on or after July 1, 2017 are eligible to receive an annual increase upon return to Active Assignment. The effective date for the annual salary increase is based upon the date the staff member returns to work (Active Assignment). To determine the effective date, refer to [FIGURE 1 \(p. 8\)](#).

Note: Must be submitted via Employee Record.

No Increase Reason: **LEAVE OF ABSENCE**

LESS THAN 12 MONTH STAFF

Staff members who work 8, 9, or 10 months out of the year but are paid over 12 months are eligible for annual salary increases effective at the beginning of the new Assignment Period. Using the first day of the new Assignment Period, reference [FIGURE 1 \(p. 8\)](#) to determine the effective date of the annual increase.

MAXIMUM OF SALARY RANGE

Staff salaries cannot exceed the maximum of their respective salary range. When determining annual increases for those staff members nearing the maximum of the pay grade, the new annual salary must be at or below the maximum. There are two exceptions to this policy, both of which allow for regular increases under the annual salary increase policy. These exceptions are notated on the annual increase roster.

GRANDFATHERED Staff who were authorized for an exception at the time of the SCS implementation on July 1, 1999.

EXCEPTION Staff who have been approved for exception status by an Officer of the University and by the Vice Chancellor of the Office of Human Resources.

No Increase Reason: **MAXIMUM OF SALARY RANGE**

MINIMUM OF SALARY RANGE

All staff salaries must be equal to or greater than the minimum of their respective salary ranges. If a staff member has fallen below the minimum of the salary range due to the movement of the salary ranges, the annual increase must be great enough to bring the staff member up to the

minimum of the salary range. FY18 ranges are displayed on the roster and can be viewed online: [Staff Salary Ranges](#).

NEW HIRES

Staff members who are newly hired to the University will appear on the annual increase roster as long as the hire date is earlier than July 1, 2017. Staff members hired later than July 1, 2017 are **not** eligible to receive an annual increase for FY18. Annual increases for FY18 are intended to reward staff for performance over the prior year (July 1, 2016 – June 30, 2017). If a staff member has not been in the department long enough to establish satisfactory performance, it is acceptable to not award an annual salary increase until FY19 (e.g. staff who have been with the University for less than a quarter of the fiscal year – date of hire April 1, 2017 or later).¹ Staff members who are newly hired may be on a Provisional Period at the time of annual increases. If these individuals have demonstrated satisfactory performance to receive an annual increase, eligibility should be assessed at the end of the Provisional Period, using **FIGURE 1** (p. 8) as a reference.²

¹ No Increase Reason: **NEW HIRE**

² No Increase Reason: **PROVISIONAL PERIOD**

PERFORMANCE: PERFORMANCE IMPROVEMENT PLAN

Staff members who have not demonstrated satisfactory performance over the prior year may be ineligible for an annual salary increase. A staff member who is on a Performance Improvement Plan (PIP) as of July 1, 2016 may be eligible for an annual salary increase upon successful completion of the PIP. Staff members on a PIP are not eligible for retroactive salary payments. The effective date of the annual increase is determined using **FIGURE 1** (p. 8).

No Increase Reason: **PERFORMANCE/PIP**

PERCENT OF EFFORT CHANGE

Staff members who have a change in Percent of Effort between July 1, 2017 and August 31, 2017 **cannot** receive annual salary increases via the online roster. Annual increases for these individuals must be submitted on an Employee Record. (**Note:** Staff members whose change in Percent of Effort occurs September 1st or later *can* be processed via the online roster). Regardless of the date of Percent of Effort change between July 1st and August 31st, the effective date of the annual increase is July 1, 2017. Retroactive salary payment will be determined by Payroll with appropriate consideration of percent of effort changes.

No Increase Reason: **PERCENT EFFORT CHANGE**

HELPFUL HINT

For processing instructions, see the
How to Submit
Annual Salary Increases Guide

PROVISIONAL PERIOD

Staff members who are on a provisional status as of July 1, 2017 will be eligible for a salary review of annual increase eligibility upon the successful completion of the provisional period. This review **may** result in eligibility. A provisional status can result from: (1) New Hire, (2) Transfer to a New Position, or (3) Reclassification. The effective date of the annual increase is determined using **FIGURE 1** (p. 8).

No Increase Reason: **PROVISIONAL PERIOD**

TERMINATED STAFF MEMBERS

Staff members who terminate from the University between July 1, 2017 and August 31, 2017 are not eligible to receive retroactive annual salary increases. Staff members who terminate on or after September 1, 2017 are eligible for a retroactive salary increase.

No Increase Reason: **TERMINATION**

TRANSFERS: OUT OF, WITHIN, OR INTO A DEPARTMENT

Staff members who transfer out of a department after July 1, 2017 will still be present on the roster in their old department, and should be marked ineligible.¹ Staff members who transfer within or into a department may be on a Provisional Period at the time of annual increases. Eligibility for these individuals should be assessed at the end of the Provisional Period, per **FIGURE 1 (below)**.²

¹ No Increase Reason: **TRANSFER**

² No Increase Reason: **PROVISIONAL PERIOD**

FIGURE 1: *Staff Effective Dates*

Date: (1) Return to Active Assignment, (2) End of Provisional Period, (3) Start New Assignment Period, or (4) Complete PIP	Salary Increase Effective Date
July 1 - July 14	July 1 st
July 15 - August 14	August 1 st
August 15 - September 14	September 1 st (No retroactivity) *
September 15 or Later	TBD * (Submit on an ER)

* The effective date for annual increases provided after September 15th is based on the date of return to work following a leave of absence, the successful completion of a provisional period or PIP, or the start of the active assignment for less than 12 month staff. If this date falls between the 1st and 14th of the month, then the increase is retroactive to the first day of the month; if it is between the 15th and the end of the month, the increase effective date is the first day of the following month.

Note: The annual increase is not retroactive for provisional periods, less than 12 month staff, leave of absence, or staff completing a PIP.

FACULTY SALARY ADMINISTRATION

guidelines for administering faculty annual salary increases

FACULTY ELIGIBILITY

Full-time and part-time Faculty (except for the School of Medicine) who have demonstrated satisfactory performance during the past year are eligible to receive a maintenance of real salary increase of their annual or contract salary as announced in the Annual Salary Increase Memorandum.

FACULTY SALARY ADMINISTRATION

Information regarding University of Pittsburgh average Faculty salaries compared to AAU goal salaries is provided online: [Average Salaries Relative to Peer Group Goal Salaries](#)

SATISFACTORY PERFORMANCE

Defined as having fulfilled the “common responsibilities” of Faculty articulated in the Faculty Handbook:

The role of individual faculty members in supporting the mission of the University of Pittsburgh will depend on the specific missions of their departments or schools. All Faculty members, however, have certain common responsibilities: to commit themselves fully to their teaching obligations, to participate in the development of the programs of their departments and schools and of the University as a whole, to engage in scholarly activities, and as appropriate, to support the University in its goal to render public service.

LEAVE OF ABSENCE

Faculty members on any type of Unpaid Leave of Absence as of July 1, 2014 are eligible for the annual salary increase upon returning to work based on the following schedule.

FIGURE 2: Faculty Effective Dates

Date Return to Active Assignment	Salary Increase Effective Date
July 1 - July 14	July 1 st
July 15 - August 14	August 1 st
August 15 - September 14	September 1 st (No retroactivity)
September 15 or Later	TBD * (Submit on an ER)

* The effective date for annual increases provided after September 15th is based on the date of return to work following a leave of absence. If this date falls between the 1st and 14th of the month, then the increase is retroactive to the first day of the month; if it is between the 15th and the end of the month, then the increase effective date is the first day of the following month.

EXCEPTIONS

Other actions that would affect a change in salary (i.e., promotion, change in percent of effort, department transfer, etc.) occurring during the period of July 1st through September 1st should be processed separately on an Employee Record. A zero (0) should be entered in the percentage increase field on the roster.

The salary increase rosters are **ONLY** used to process the annual salary increase. All other actions, such as reappointments and demographic changes, must be submitted on an Employee Record.

QUESTIONS? Faculty Records (412) 624-4232

RESOURCES

UNIVERSITY OF PITTSBURGH

4200 Fifth Avenue
Pittsburgh, PA 15260
(412) 624-4141
www.pitt.edu

OFFICE OF HUMAN RESOURCES

(412) 624-7000
hradsup@pitt.edu
hr.pitt.edu

COMPENSATION DEPARTMENT

(412) 648-5049
hr.pitt.edu/compensation-classification

FACULTY RECORDS

(412) 624-4232
www.provost.pitt.edu/faculty-affairs

PAYROLL

(412) 624-8070
payrollinfo@cfo.pitt.edu
cfo.pitt.edu/payroll

TECHNOLOGY HELP DESK

(412) 624-HELP (4357)

HELPFUL LINKS

[How to Submit Annual Salary Increases Guide](#)
[Annual Salary Increases Policy](#)