MEMORANDUM

TO: Vice Chancellors, Deans
    Vice Provosts, and Associate Vice Chancellors

FROM: Warwick A. Arden, Provost and Executive Vice Chancellor
      Charles D. Leffler, Vice Chancellor for Finance and Business

DATE: October 22, 2012

SUBJECT: 2012 SPA Salary Adjustments Beyond 1.2%

In accordance with our August 16th memorandum, we are allocating to each college and division (2-digit OUC) an amount of recurring state-appropriated funds equal to 1% of the division's or college's SPA salaries paid on state-appropriated Academic Affairs (16030) budget code as of June 30, 2012.

The budget allocations will be made by the Provost's Office or the University Budget Office, depending on your reporting structure, during the month of November. These funds must be used only for the purpose of adjusting SPA salaries; any resources not permanently allocated by April 30, 2013 will revert.

For SPA salaries paid from non-state-appropriated funding sources or 16031/16032 budget codes, each college/division must allocate a comparable 1% pool. (Such funds that you have already committed to permanent SPA staff salary adjustments since July 1 may be counted toward that 1%.)

As you know, all eligible SPA and EPA employees received an across-the-board 1.2% increase effective July 1. For this round of SPA salary allocations, however -- as with the "1.8%" EPA adjustments processed in September -- the funds are intended to be used strategically and for the purpose of addressing your units' most pressing SPA needs, rather than across-the-board.

While we are not establishing an additional "0.8%" component as we did for EPAs, you may utilize other college/division resources as available to supplement the 1% required SPA allocation.

Adjustments for SPA staff may be made for reasons of market, equity, additional duties within the current career band/level; or reclassification to a higher band/level. State policy does not authorize a merit rationale for SPA salary adjustments. (Although retention is technically an
allowable reason under state policy, retention/counteroffer actions require an offer in-hand and can only be justified for critical positions for which qualified candidates are difficult to recruit.

If an individual’s current salary is below the market reference rate (MRR) for the position’s career band and level, you may process a market or equity adjustment in the HR System without prior review by Human Resources. Individuals whose current salaries are farthest below the relevant MRR should be given particular consideration for adjustments, especially those who have considerable experience in their roles. The adjusted salary must not exceed the MRR for the position’s designated level (contributing, journey, or advanced) by more than 3%.

Market Reference Rates are available at:


If an individual’s current salary is at or above the MRR for its level, you may still utilize this 1% pool for adjustments based on additional duties or reclassification; any such adjustments must be reviewed and endorsed by HR Classification & Compensation via the normal position review process through PeopleAdmin and require current job descriptions.

These SPA adjustments may not be retroactive. Market/equity adjustments for positions currently below market may have effective dates of Nov 1 or later; adjustments based on additional-duties or reclassification will have effective dates based on the date endorsed by Class/Comp. All adjustments from these funds must be implemented no later than April 30, 2013.

We encourage you to continue to be mindful of any potential compression and equity (gender, race/ethnicity, age, etc.) effects of such adjustments, to ensure defensible salary levels for all SPA employees.

Please direct salary increase questions to HR Classification & Compensation and budget allocation questions to the University Budget Office.

cc: W. Randolph Woodson, Chancellor
    Barbara Carroll, AVC for Human Resources
    Steve Keto, AVC for Finance & Resource Management
    Barbara Moses, University Budget Director
    Deborah Wright, Director, Class/Comp