

### **Background<sup>i</sup>**

Attracting and retaining talented faculty and staff is a high priority for the University and College, and competitive compensation is critical to our ability to attain this goal.

The College of Education and Human Ecology subscribes to a performance driven compensation structure. The compensation process is designed to inspire achievement and to reinforce excellent performance and accountability and therefore, there is no minimum, cost-of-living or across-the-board increases indicative of entitlements. In our performance culture, increases must be based on outstanding performance while acknowledging market and/or equity considerations.

Unit compensation recommendations are to align with College compensation principles and are to be supported by the annual review process.

### **Principles**

1. The compensation rate is primarily determined by: performance, relevant competitive markets, current salaries in comparison to the markets (faculty discipline, geographic region, competing institutions, etc.) and the impact of the position on the unit's mission, as feasible within the unit's budget. Compensation rates for individuals should vary with the credentials and performance of individuals holding the positions.
  - a) Faculty performance during the 2012-2013 academic year must be considered as part of the salary decision-making process.
  - b) Staff performance for the 2012-2013 performance year (May 1 - April 30), must be considered as part of the salary decision-making process.
2. All faculty and staff must receive a performance review annually.
3. The College compensation pool aggregate is 2.0% for FY 14.
4. Departments will receive a faculty aggregate of 1.85%; enabling the college to fund faculty promotion increases. The staff aggregate will be 2.0%. Consistent with the University Compensation Guidance Document, aggregate percentage pools for faculty and staff (A&P and CCS) must remain separate. Please note: this year in our college, the unclassified and classified staff aggregate pools have been combined to create greater flexibility. Departments are to ensure that the difference between the two pools' totals will not vary by more than 1%.
5. Departments with critical and significant salary equity issues may seek approval from the college to use funds beyond the 2.0% aggregate to administer equity and market adjustments, noting that at least 2.0% of the adjustments must be included in the AMCP aggregate. The college self-funds salary increases, as well as the associated benefit cost increases, from a combination of the college annual net marginal revenue generated by course credit hours, indirect cost recoveries and the EHE faculty and staff vacancy reserve pools; consequently, significant market and/or equity issue adjustments will impact funding available for future faculty and staff positions.
6. This year one-time supplemental payments or bonuses can be awarded to reward exceptional achievement, performance on a project, leadership shown in the unit or to address market/equity issues. This cash award will be funded 50% by the college and 50% by the department. All bonuses given in lieu of a base salary increase from the aggregate will require approval from the college. In cases where an individual's salary is above the market, a cash award in lieu of a base increase can be a cost effective way to align salaries and achieve more equity. Bonus requests are to be submitted to the college for approval.
7. It is expected that annual compensation increases will be differential in alignment with the Provost's recommendations to affirm our commitment to a high performance culture.

8. All faculty who are promoted, or promoted and tenured, will receive a 6% raise centrally (OAA). Departments must provide at least 2.0% of their pool to these individuals and the college will provide 2.0% so each receives at least a 10% total increase.
9. Graduate associate compensation decisions are to be consistent with the University minimum GA rate (\$1500/mo for a .50 FTE) and Department/unit established GA pay range guidelines & procedures, which include “progress toward graduate degree and performance.”<sup>ii</sup> Department/unit GA guidelines are to be submitted to the College by June 30.
10. Individuals paid by external grants, contracts or earnings operations will be governed by the same guidelines for staff, faculty and graduate associates outlined above.
11. As permitted by the University’s Compensation guidelines, agencies and affiliated entities may utilize guidelines set by each entity’s board as long as those guidelines are current and reasonably consistent with University guidelines. The guidelines are to be submitted to the College before the completion of the annual compensation process. If the yearly salary increase timeline differs from University, agency and affiliated entity funded employees will be made ineligible in the annual University compensation process.
12. Compensation increases for Classified Civil Service (CCS) staff on probationary status are to be delayed until successful completion of probationary period.
13. Schools and Departments may determine eligibility of faculty and A&P staff recent hires to participate in the compensation process. It is expected that any recent hires or transfer made ineligible will have received notification from the employing unit that their hiring salary will remain constant for a specific period (ideally in their offer letter) resulting in their ineligibility to be included in the 2013-2014 academic year salary process. In general, this would be any hire or transfer after July 1, 2013 and/or assignment to an administrative role.
14. Consistent with University Compensation policy, staff earning below the pay range minimum, regardless of status, will receive the increase necessary to bring the employee to the new pay range minimum.
15. Zero percent increase requests are permitted, but must be justified and submitted to the College. Consistent with University guidelines, the College retains the list and rationale. Zero percent increases may be submitted on the “College AMCP” form.
16. Individuals known to be retiring, resigning, or in reduction-in-force status prior to August 31, 2013 may receive a zero salary increase.
17. All faculty and staff must receive written notification of their salary increase in writing. Any faculty or staff member receiving no salary increase must be notified personally in writing **with** supporting rationale. Staff letters are initiated and signed by the Unit Director or Department Chair. Faculty letters are initiated by the Department Chair and signed by the Dean and Chair.

## Guiding Principles

2013-2014 Annual Merit Compensation Process Guidance Document J. Alutto, Executive Vice President & Provost and Andraea Douglass, Vice President, Office of Talent, Culture and Human Resources, April 29, 2013 memo to Vice Presidents, Deans, Department Chairs and School Directors <http://hr.osu.edu/comp/guidance.pdf>

OAA Compensation Principles

<http://oaa.osu.edu/assets/files/documents/facultycompensation.pdf>

OHR Salary Administration & Classification Policy 3.10

<http://hr.osu.edu/policy/policy310.pdf>

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ii

<http://www.gradsch.osu.edu/graduate-school-handbook1.html>