

2021-2022 Compensation Plan FAQ

When are increases effective?

Adjunct and Summer ICHE rate changes are effective at the beginning of Summer semester. All other increases are effective July 1, 2021. The wages earned July 1 - 15 will be paid in the August 1 paycheck.

Why aren't we receiving a 3 percent across-the-board increase?

The 2021 legislature provided *funding* for a 3 percent labor market increase. This funding is available to allocate into UVU's compensation program. Based on recent Consumer Price Index (CPI) data, a 2.3 percent increase is being allocated to a cost of living adjustment for all employees. The remaining funds for compensation funding provided by the legislature and through tuition increase and internal reallocation are being applied in alignment with UVU's Compensation Philosophy:

- Competitive within appropriate labor markets
- Performance-based
- Address internal equity

When will I know what my increase is?

Your supervisor will communicate your increase to you in early June. For full-time staff and faculty, you will receive a salary notification letter which details the amount for each type of increase you will receive.

Was the April bonus our salary increase? Merit increase?

No. The Recognition Bonus was a one-time bonus to recognize the efforts of UVU employees during the pandemic. These bonuses were separate from the Annual Compensation Plan.

What is happening to our benefits?

This year, there will be no premium increase to our health insurance benefits. There are also no significant plan changes; therefore, the benefits package will remain the same. Watch for information on Benefits Open Enrollment coming soon.

Are faculty who didn't receive merit in July 2020 going to receive that?

Yes. The 2021-2022 Compensation Plan includes faculty merit for both 2020-2021 and 2021-2022. These increases continue UVU's five-year implementation plan of faculty merit in accordance with [UVU Policy 654](#).

How do I know if I am eligible for staff merit pay?

Staff are eligible to receive a merit pay increase, effective July 1, 2021, if:

1. The employee is employed in a full-time position by June 30, 2020, and
2. Their 2020 performance evaluation was submitted by March 15, 2021, and
3. They are in good standing as of July 1, 2021

How is staff merit pay calculated?

Staff merit pay is determined by taking two factors into consideration:

- **Performance review:** The overall average supervisor rating is used to place employees within a range in the merit matrix. These ranges are as follows:
 - Tier 1: <2.5
 - Tier 2: 2.5 – 2.9
 - Tier 3: 3.0 – 3.4
 - Tier 4: 3.5 – 3.9
 - Tier 5: 4.0 – 4.4
 - Tier 6: >=4.5
- **Compa-Ratio:** An employee's compa-ratio is also used to place employees within the defined merit matrix. A compa-ratio is a metric which represents where the employee's salary is relative to midpoint within their compensation grade range. The midpoint represents the median market value of a position. For example, if my grade midpoint is \$50,000, and my current salary is \$45,000, then my compa-ratio is 90% ($45,000/50,000 = 0.9$). This 90% indicates that my salary is 10% below the midpoint (or market value) for my position. The ranges for compa-ratio are as follows:
 - Tier 1: <90%
 - Tier 2: >=90%, but < 105%
 - Tier 3: >= 105%, but < top of the position's salary range
 - Tier 4: > top of the position's salary range

If an employee is at the maximum of their grade range, they will be given a one-time merit payment instead of an addition to their base salary.

We use both the performance review and compa-ratio to calculate the merit pay increase by creating what is called a merit matrix. A merit matrix is a table which awards percentages of merit increases based off of where the employee is placed according to their average performance review score and their compa-ratio.

A merit matrix is created for each executive area and 1.25% of staff salary budget in the executive area is allocated to each group for merit increases. Separating each executive area into their own merit matrix allows us to calculate exact percentages within the table based on the performance evaluation distribution within that specific

area, while still fully utilizing 1.25% overall towards their merit increases. This prevents areas from being negatively impacted by the differing performance rating trends of other areas across campus, since each executive area will have their own merit matrix and 1.25% allocated increase to distribute.

Exact percentages within the merit matrix will be individualized for each executive area to maximize the 1.25% allocated towards merit. Here is an illustrative example of a merit matrix:

Compa-ratio Ranges

Merit Ranges (Performance Review Composite Score)	Compa-ratio Ranges			
	< 90%	≤ 90% but < 105%	≥ 105% but < top of salary scale for the grade	> top of salary scale for the grade
≤ 2.4	0.00%	0.00%	0.00%	0.00%
2.5 to 2.9	0.50%	0.25%	0.00%	0.00%
3.0 to 3.4	1.00%	0.50%	0.50%	0.50%
3.5 to 3.9	1.50%	1.25%	1.00%	1.00%
4.0 to 4.4	2.00%	1.75%	1.50%	1.50%
≥ 4.5	2.50%	2.25%	2.00%	2.00%
Base Salary Increase				1 time merit payment

How is faculty market equity determined?

Market equity increases will be based on the faculty member’s compa-ratio compared to market equity targets established by the Provost in consultation with Human Resources.

A compa-ratio is a metric which represents where the faculty member’s base salary is relative to market survey midpoint for their benchmark position based on discipline and rank. Midpoint represents the market value of the position. For example, if the midpoint of my benchmark position is \$50,000 and my current salary is \$45,000, then my compa-ratio is 90% ($45,000/50,000 = 0.9$). This 90% indicates that my salary is 10% below the midpoint (or market value) for my position.

The Provost’s Office in consultation with Human Resources will establish a market equity increase structure designed to close market equity gaps. This structure will allocate 1.41 percent of faculty salary budget to faculty salaries.

What is happening to campus minimum wage?

Beginning July 1, 2021, through the application of cost-of-living adjustment (2.3%) and additional funding, employees will earn no less than \$12.75 per hour. This change necessitates adjustment to UVU's non-exempt and hourly staff pay scales.

- Grades 7, 8, 9, and 10 will be eliminated from the nonexempt pay scales.
- Positions previously slotted in Grades 7, 8, 9, and 10 will be placed into a grade 11 or higher.
- Adjustments will be made to address compression directly created by moving these positions from grades 7 through 10.
- Staff employees with salaries falling below 80% of the salary midpoint of the adjusted grade will receive an increase of not less than \$250 to move to 80% of the grade midpoint.

The 2021-2022 student hourly rate scale will remain the same with a minimum hourly rate of \$9.00 and a maximum hourly rate of \$18.00. Supervisors of student employees are strongly encouraged to pay student employees no less than \$12.75 per hour.