

UNIVERSITY OF ILLINOIS URBANA CHAMPAIGN
FY 2024
SALARY PROGRAM AND BUDGET GUIDELINES

Issued June 21, 2023

SALARY RATE INCREASES

The general personnel salary program consists of a merit-based 4.0% increment, except where union settlements dictate otherwise. The effective date of the increases for budgeted academic employees is August 16, 2023, and for open range civil service employees is August 20, 2023. Non-budgeted academic employees will receive their FY2024 raises on their Anniversary Date beginning July 1, 2023, or after, as needed. Please note that salary minimums for non-represented employment categories have been increased by 4.0%.

As a merit-based 4.0% program, it is expected that there will be a range of salary increases within a unit. Salary increase decisions for individuals funded with restricted funds are subject to the same guidelines as govern such decisions for individuals funded with State funds. Since we are in the process of salary program administration, units should refrain from submitting requests for mid-year salary adjustments except in cases of retention or other extenuating circumstances.

As in the past, campus level approval is required for the following specific cases:

- Salary increases greater than 7.0%
- Salary increases for academic and open range civil service employees hired (new hire or new position) on or after March 1, 2023, or who received a significant pay increase on or after March 1, 2023
- 0% increases for any employee (including those ineligible)

Justification for these requests should be entered into the comments field of Salary Planner. They will be reviewed by Illinois Human Resources and the Office of the Provost in Salary Planner. Thus, there is no need to submit a supplementary listing.

Units should conduct performance appraisals in accordance with campus policies before recommending increases. Completed appraisal forms will be retained in the unit.

Compression, Market, Equity, and Retention (CMER) Increases

In addition to the merit-based salary program, **tuition units** have the ability to award additional (self-funded) increases to address compression, market, equity and retention (CMER) issues in their college where warranted and if they have available resources. The vast majority of these increases should be directed to faculty. To the extent a tuition unit wishes to award a small pool of CMER increases to Academic Professionals/Open Range Civil Service employees, please email provostbudget@illinois.edu with your proposed plan (for example, 0.25% of base salaries to 25% of the AP/Open Range employees) by July 17, 2023, so that the Office of the Provost can provide feedback **prior to its implementation**. Units will continue to have the ability to address CMER issues during the course of the academic year, largely

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targeted at faculty, with Provost Office approval. (Please note separate NTFC CMER section below.)

Eligible for Salary Program

Academic and open range civil service employees are eligible except where noted in the Ineligible section. Employees who have been issued a notice of non-reappointment due to reclassification to civil service or for budgetary or programmatic reasons **are eligible** for and should be considered for a salary increase.

Ineligible for Salary Program

- Employees who have been issued a notice of non-reappointment based on performance shortcomings should not receive a salary increase.
- Academic and open range civil service employees who were hired (new hire or new position) on or after March 1, 2023, or who received a significant pay increase effective March 1, 2023, or after, will not generally be considered for an August 2023 increase unless a prior commitment was made. Exceptions should be requested in Salary Planner, as noted above.
- Open range civil service employees in a probationary period are not eligible for consideration for a merit increase until they have successfully completed their probationary period per *University Policy and Rules for Civil Service Staff*, Rule 5.15, Open Range Pay Plan/Merit Increases (<https://nessie.uihr.uillinois.edu/pdf/policy/rules/pr5r15.pdf>). Open range civil service employees serving a probationary period at the time of the salary program effective date may be granted a merit increase within 30 calendar days following completion of the probationary period. The merit increase should be in alignment with the annual program. Any end of probationary period increase request of more than 10% must have Provost Budget Office approval.

Promotion in Rank Increases

Promotional increase amounts for tenure system and specialized faculty are listed below.

| Tenure System Rank | Amount |
|----------------------------------|---------------|
| Assistant to Associate Professor | \$7,000 |
| Associate to Full Professor | \$10,000 |

| Specialized Faculty | Amount |
|---|---------------|
| Instructor to Senior Instructor | \$2,000 |
| Lecturer to Senior Lecturer | \$2,000 |
| Teaching/Clinical/Research Assistant Professor to T/C/R Associate Professor | \$3,000 |
| Teaching/Clinical/Research Associate Professor to T/C/R Professor | \$4,000 |

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Campus funding will be provided for the tenure system faculty promotional increase amounts listed above but not for the specialized faculty increases. Colleges are authorized to provide promotional increase amounts over and above those listed for both tenure system and specialized faculty. The campus funding for tenure system faculty promotional increases should not be used to replace unit promotion supplements. See the Processing section of this document for processing details.

Promotional increases for faculty effective August 16, 2023, are not intended to replace merit increases and do not disqualify them from participation in the general salary program. This applies to both tenure system and specialized faculty promotions.

| Uni High Teaching Associates | Promotional Increase | Eligibility |
|---|-----------------------------|----------------------------|
| Teaching Associate to Advanced Teaching Associate (ATA) | \$3,000 | 6 yrs as a Teaching Assoc. |
| Advanced Teaching Associate to Sr. Teaching Associate (STA) | \$3,000 | 6 yrs as an ATA |
| Sr. Teaching Associate to Distinguished Teaching Associate | \$4,000 | 6 yrs as an STA |

Promotional increases for Uni High Teaching Associates are not intended to replace merit increase and do not disqualify them from participation in the merit-based program.

Collective Bargaining Agreements

Salary increases for employees in represented categories are governed by the collective bargaining process and negotiated agreements.

For FY 2024:

| Collective Bargaining Unit | Increase % | Additional Information |
|--|--|---|
| Non-Tenure System Faculty Coalition (NTFC) | 4.0% merit-based (since campus wage is >2%) (1.25% min. if increase given) 0.5% CMER | See NTFC section below. |
| Visiting Academic Professionals (VAP) | 4% merit based (campus wage). VAPs are <u>not eligible</u> for CMER increases. | Increases are effective on the individual appointment renewal date. |

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| | | |
|--|-----------------------------------|---|
| Graduate Employee Organization (GEO) (Terms apply to TA, GA, and RA/PGA appointments) | 4% campus wage | Reappointments must be equal to or greater than the campus minimum. Appointing unit may pay above the minimum wage or the minimum percent increment for a continuing assistant and this amount may vary from unit to unit. |
| University High Laboratory School UNI Faculty Organization (UFO) | 4% merit-based campus wage | Teaching Associates will receive a \$500 one-time contract extension payment effective August 16, 2023. This payment will be processed by IHR outside of Salary Planner. |
| Various Civil Service Bargaining Units | Consult the appropriate agreement | Required increases will be applied centrally by Illinois Human Resources. IHR will notify units of the required increases at time of processing. |

Non-Tenure Faculty Coalition (NTFC)

NTFC: Merit-based Salary Increase

The negotiated agreement with the Non-Tenure Faculty Coalition (NTFC) specifies that members are eligible to participate in the 2% (or campus wage if greater) merit-based general salary program. For FY 2024, NTFC members are eligible for the 4.0% campus wage program since it is greater than the contract-specified threshold. **The employees who receive a merit-based increase shall receive a minimum increase of 1.25%.** If an employee does not receive a merit-based increase or receives an increase greater than 7%, a brief justification should be entered into the comments field of Salary Planner. For 0% increases, units should also be prepared to provide the rationale to the affected employee upon request.

NTFC: Compression, Market, Equity, and Retention Increase

The NTFC bargaining agreement dictates that bargaining unit members will be eligible to participate in a general Compression, Market, Equity, and Retention (CMER) program equal to one-half percent (0.5%) of the bargaining unit salary base. Allocation of CMER adjustments is to be determined at the sole discretion of the dean following consultation with department heads. Units must allocate a minimum of one-half percent (0.5%).

The effective date of NTFC merit-based and CMER increases will be August 16, 2023.

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Salary Minimums

Unless otherwise called out in the chart, minimums apply regardless of collective bargaining inclusion or fund source.

| Employee Group | FTE | Academic Year Minimum (9/12 or 9/9) | 12 Month Minimum |
|--|-----|--|--|
| Tenure System Faculty | 1 | \$48,438 | \$59,202 |
| Specialized Faculty (Instructor, Lecturer and modified NTFC Associate titles) ¹ | 1 | \$47,500 ² | \$58,055 |
| Specialized Faculty (teaching/research/clinical professorial titles) ¹ | 1 | \$52,500 | \$64,167 |
| Specialized Faculty ¹ | <1 | \$29,109.09, prorated ³ | \$35,568.00, prorated ³ |
| University Laboratory High School Faculty Organization Members ¹ | 1 | \$43,000.00 | N/A |
| University Laboratory High School Faculty Organization Members ¹ | <1 | \$29,109.09, prorated ³ | N/A |
| Postdoctoral Research Associates | 1 | \$36,413.18 | \$44,505.00 |
| Academic Professionals | 1 | \$31,333.00 | \$38,285.40 |
| Graduate Assistants ¹ (TA/RA/PGA/TAR) | 0.5 | \$2,453.33/month \$22,080/year prorated ³ | \$2,453.33/month \$29,440/year prorated ³ |

Prorated Graduate Assistants Minimum Salary Ranges are available at <https://humanresources.illinois.edu/assets/docs/IHR/Graduate-Minimum-Salaries-2023-2024.pdf>

Open range civil service salary minimums are established by classification, available at <http://humanresources.illinois.edu/employees/current-employees/civil-service/Permanent/salaryplan.html>.

¹ Subject to the collective bargaining process

²For funding contingent positions, in case of proven hardship, the minimum salary for nine (9) month full time specialized faculty, including bargaining unit members, shall be no lower than \$40,000.

³ Proration is based on FTE

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Processing

For summer 2023, we will have the **24 COA 1 AC** extract, which contains all budgeted academic jobs, and the **24 COA 1 OR** extract, which contains all civil service open range jobs.

Budgeted academic and specialized faculty promotions effective 8/16/23 should be entered into Salary Planner, including updating the title to reflect the promotion, and then documentation (offer/accept, OAE approval) must be entered into HRFE as an ADMIN transaction. The combined promotion/merit amount should be entered into the **Merit Increase** field.

Budgeted academic FTE changes effective 8/16/23 should also be entered into Salary Planner using the **FTE change** field and then documentation (FTE change form) would need to be entered into HRFE as an ADMIN transaction. In this case, MERIT should be added FIRST based on current BASE salary and then adjusted accordingly using the **FTE change** field.

Tenure System Faculty Promotion and Tenure (P&T) should be entered into Salary Planner by each unit/college INCLUDING updating the job to the new title on the Job Detail screen. Units may raise the salary above and beyond the \$7,000 and \$10,000 provided by the Office of the Provost. As a reminder, the promotional increases are not to replace the merit increase. The combined increase should be entered the “Merit Increase” field.

Budgeted NTFC Raises in Academic Salary Planner: Please separately enter the merit-based increase into the **Merit Increase** field of Salary Planner and the CMER increases into the **Equity Adjustment** field (which is located on the Job Details screen).

Keep in mind that NTFC employees who receive a merit-based increase must receive a minimum increase of 1.25%.

Except Budgeted NTFC, All other Budgeted Academic and Open Range Raises in Academic and Open Range Salary Planner: Please combine your merit and CMER increase into the **Merit Increase** field of Salary Planner.

Annual increases for Visiting Academic Professional employees must occur on their personal reappointment date.

Non-budgeted academic reappointments should be processed through the normal appointment process via HR Front End (HRFE) transactions.

Units should complete the spreadsheet provided by IHR to report the NTFC merit and CMER increases for non-budgeted employees and submit to IHR-LER@illinois.edu.

In the event an employee does not receive a merit-based increase or receives an increase greater than 7%, a brief justification must be entered into the **Comments** field of Salary Planner.

For 0% increases, units must provide the rationale to the affected employee.

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Unit Submission Deadlines

| Entry Method | Deadline |
|---|------------|
| Academic and Open Range Civil Service Salary Planner | 07/31/2023 |
| HRFE Admin transactions to supply documentation supporting Salary Planner changes | 08/16/2023 |
| HRFE Job Changes for non-budgeted employees | 08/21/2023 |

FY 2024 BUDGET ALLOCATION PROCESS

The FY 2024 budget appropriation passed by the state legislature included an approximate 7% increase over the original FY 2023 appropriation.

Integrated and Value-Centered Budgeting Model

FY 2024 is the fifth year of implementation of the Integrated and Value-Centered Budgeted (IVCB) model, with FY 2019 serving as the baseline year. Details regarding the FY 2024 revenue and cost allocations via the IVCB model can be found on the colleges' IVCB statements, which will accompany the FY 2024 allocation letters.

Funding for Salary Increases

Under the Integrated and Value-Centered Budgeting (IVCB) model, tuition units are responsible for covering the cost of the salary program within their unit. We will provide central funding to centrally-budgeted units for the merit-based program, in alignment with past practices.

Investment for Growth

There will be no additional reallocation for Investment for Growth in FY 2024.

Control of Funds During FY 2024

In developing the budget for State funds, units will be allowed to reallocate funds from one budget category (academic salaries, nonacademic salaries, wages, expense, and equipment) to another. Each major academic unit may have an "unassigned account" in which all funds for vacant academic positions, new allocations, or dollars generated through the reduction or elimination of programs by the college will reside until the relevant Vice-Chancellors, Deans and Directors determine the utilization of the resources.

Vice-Chancellors, Deans, and Directors will continue to control salary dollars related to academic leave lines. Units will retain control of all funds related to academic and civil service staff salary lines that become vacant during the year. Units are encouraged to consider infrastructure needs (wages, expenses, or equipment) when making personnel decisions.

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To facilitate financial planning and budget-to-actual reporting, please ensure the FY 2024 budget entered into Budget Development is recorded in the account code you expect to expend the funds.

Allocation of ICR Funds

Under the IVCB model, we attribute indirect cost recoveries (ICR) revenue differently than funds flow in the Banner System. However, the ICR funds continue to flow in the Banner System based on the Campus's ICR Policy. This section refers to only the distribution of funds in the Banner System. Unless another distribution formula has been approved for a unit, 45% of ICR related to facilities and administration will be distributed to the college and department. In addition, 75% of earnings related to tuition remission will be distributed to the student's academic college generating the remission. Remission funds may be used to fund graduate education and support graduate students. Units can use these funds to fund partial fellowships required as student's salaries reach the NIH salary cap.

The procedures to be followed in preparing the FY 2024 budget for ICR earnings are as follows:

1. An estimate of the F&A earnings portion of the total indirect cost to be recovered during FY 2024 is to be made by the college and department and recorded as a revenue and expense budget in the appropriate C-FOP via the Budget Development application. Program codes used for budgeting F&A-related ICR should have the 'E'arned attribute.
2. An estimate of the tuition remission earnings portion of the total indirect cost to be recovered during FY 2024 is to be made by the college and recorded as a revenue and expense budget in the appropriate college-level C-FOP via the Budget Development application. The program code used for budgeting remission-related ICR should have the 'T'uition remission attribute.
3. Do not include expected carryover in the FY 2024 budget process.
4. The recorded budget for F&A earnings will be reflected in monthly detailed F&A earnings statements. Budget adjustments can be made semi-annually to reflect the actual and projected earnings for the year.
5. The recorded budget and actual tuition remission earnings will be reflected in quarterly tuition remission earnings statements. The budget office will transfer actual tuition remission revenue on a quarterly basis to the designated college-level tuition remission FOP; the budget will be adjusted to reflect actual recoveries at the end of FY 2024. The college is responsible for distributing the tuition remission based on their internal ICR policy.
6. Since allocations for both F&A and tuition remission earnings will be adjusted to reflect actual earnings, units will not be either advantaged or disadvantaged by the level at which they set their earnings estimate.

In the case of interdisciplinary programs, there may be some questions about the distribution of ICR funds. If the parties involved cannot resolve a problem, they should consult the Office of the Provost.

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Please remember that no F&A funds should be budgeted or expended for the direct support of instructional programs. Instructional programs are those courses that are credit-bearing and/or courses that lead to a credit-bearing degree. Additionally, ICR funds should not be expended in administrative units whose only activity is the support of instructional programs. University policies may be revised in light of recent changes to state guidelines. Communications will be forthcoming this year.

To facilitate financial planning and budget-to-actual reporting, please ensure the FY 2024 expense budget entered into Budget Development is recorded in the account code in which you expect to expend the funds.

Budgeting Endowment Income

Units receiving endowment income will be notified of the assigned FY 2024 budget, excluding carryover balances. The FY 2024 budgeted amount is based upon 4.0% of a six-year moving average of the endowment pool market value.

The income budgeted for FY 2024 is guaranteed; however, additions or withdrawals from the endowment pool made before June 30, 2023, will result in a budget adjustment. Over or under realizations of income at the end of FY 2024 will be charged or credited to the account which holds gains or losses from sales of securities.

Restricted Funds

Restricted funds include all grants, contracts, self-supporting and auxiliary activities, storeroom and service departments, and other similar accounts, the use of which is restricted to specific purposes. Expenditures made from these funds are subject to the Board of Trustees' general rules governing such expenditures and must be within the total income accruing in the account involved.

It is the responsibility of department heads and similar officers to see that funds are available for all positions or other items listed under restricted fund accounts. Salary minima, union negotiations, and other University regulations governing appointments and the use of funds apply to restricted funds. Salary increase decisions for individuals funded with restricted funds are subject to the same guidelines as individuals funded with State funds.

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CONCLUSION

Questions concerning these Budget Guidelines, Salary Program and Salary Planner should be addressed to the following:

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|---|---|--|----------------------------------|
| FY2024 Budget Guidelines | Paul Redman Andrea Hoey Jamie Hackett | predman@illinois.edu ahoey@illinois.edu jhackett@illinois.edu | 333-1166 333-7904 333-3214 |
| Budget Development Use | Jamie Hackett Anne Marshall | jhackett@illinois.edu marshal@illinois.edu | 333-3214 244-0494 |
| Faculty (Tenure System and non-represented specialized faculty) | Andrea Hoey Jessica Mette | ahoey@illinois.edu jmette@illinois.edu | 333-7904 244-1745 |
| Academic Collective Bargaining Unit Employees (NTFC, UFO) | Robb Craddock Sharon Reynolds | rcred01s@illinois.edu sreynlds@illinois.edu | 333-3105 300-6737 |
| Academic Collective Bargaining Unit Employees (VAP, GEO) | Robb Craddock | rcred01s@illinois.edu | 333-3105 |
| Academic Professionals and Open Range Civil Service | Ash Little | alittle4@illinois.edu | 333-9677 |
| Postdoctoral Research Associates | Jessica Mette | jmette@illinois.edu | 244-1745 |
| Civil Service Bargaining Unit Employees | Robb Craddock | rcred01s@illinois.edu | 333-3105 |
| General Salary Planner Use | Doug Lamb Ash Little | dougl@illinois.edu alittle4@illinois.edu | 333-7466 333-9677 |