

# **Frequently Asked Questions: Merit Increases for Administrators of the Minnesota State Colleges and Universities**

**Effective July 1, 2008  
(Fiscal Year 2009)**

**1. What is the function of the merit increase roster in SCUPPS?**

The roster is used to help ensure that we administer the Merit Increase provisions of the Personnel Plan in the manner approved by the Board of Trustees and the Legislature. Since the roster data is drawn from SCUPPS, it is a relatively easy way to make sure the data is an accurate reflection of actual employment and salaries as of a particular date and keep a record of salary decisions.

**2. How is the roster created?**

When you select the Fiscal Year from the drop-down menu in the upper right corner, SCUPPS automatically picks up a record for each Administrator with a 2311 assignment type through June 30<sup>th</sup> of the previous fiscal year. The roster reflects information from that assignment, such as working title, base salary, etc.

**3. What if an administrator was on a leave of absence and does not have a 2311 assignment on June 30<sup>th</sup> of the previous fiscal year?**

If they were an employee on June 30<sup>th</sup>, but on leave of absence with the intention of returning to active employment, you may add the administrator to your roster by creating a 2311 assignment for that one day, with a 0.0 percent FTE. Their base salary will appear in the roster and be included in the calculation of the merit pool. You cannot use this process to add administrators to your roster if they terminated their employment prior to June 30<sup>th</sup>.

**4. Which administrators are eligible for merit increases?**

Any Administrator employed in a position covered by the Personnel Plan on **both** June 30, 2008 **and** July 1, 2008 is eligible for a FY 2009 merit increase and/or lump sum payment, except for those administrators at or over the maximum rate of their salary range. Administrators in interim appointments are eligible in the same manner as other Administrators. These merit increase provisions do not apply to salary increases for the Chancellor, Presidents and Vice Chancellors. The Board of Trustees and the Chancellor administer these salaries separately.

**5. What about employees who are Administrators on June 30<sup>th</sup>, but are no longer Administrators on July 1, 2008?**

These Administrators should appear on the merit roster and have their base salaries included in the calculation of the merit pool; however, they are not eligible for a merit increase.

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**6. How large is the merit pool for this increase and how is it calculated?**

The Personnel Plan provides for a merit increase pool equal to 5.0 percent of the base salaries of those Administrators on the payroll as of 6/30/08. The SCUPPS Merit Increase Roster is set up to multiply each base salary by 5.0 percent and sum the results by institution. This aggregated amount serves as the upper limit on the base salary increases and lump sum payments that may be distributed to eligible Administrators at that institution.

**7. Is every eligible Administrator entitled to a merit increase?**

No, merit increases are entirely discretionary and intended to reward truly meritorious service. Administrators who have demonstrated performance problems or who have not been employed long enough to have an opportunity to demonstrate the quality of their performance should not receive merit increases. In either case, a president may choose to defer the decision on the salary increase until a later date, but must reserve a portion of the merit pool for that purpose.

**8. How soon do we need to make decisions about merit increases?**

While there is no absolute deadline for making decisions about these merit increases, we do urge you to keep affected administrators informed about the timing and implement the increases as soon as practicable.

**9. May we delay the effective date of the FY 2009 merit increases?**

Yes, you may make the merit increases effective any date in FY 2009. We encourage you to complete this process as soon as possible, even if you delay the effective date.

**10. If we have performance concerns about an administrator, may we delay making a merit increase decision on him/her and implement the increases for other administrators?**

Yes, if you submit your merit roster with some of the merit pool left unspent. If you later decide to give this administrator an increase, just ask us to unlock the merit roster so you can enter the increase and resubmit it.

**11. Can we give larger merit increases if we delay the effective date of one or more increases?**

No, the intent of the Personnel Plan is to allow for annualized salary increases and/or lump-sum payments of up to 5.0 percent of the June 30, 2008 salary base. The 5.0 percent figure is as much a limit on growth of the salary base as it is a limit on the increase in salary expenditures for the fiscal year. Delaying all FY09 merit increases to January 1, 2009, for example, does not allow us to grant 10.0 percent increases; it just reduces the FY09 cost of the increases granted.

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**12. What form do merit adjustments take?**

Merit adjustments may be in the form of an increase to the base salary; or a lump sum payment that does not become an addition to the base salary; or a combination of the two.

**13. May an administrator receive a merit increase as a base adjustment or a lump sum that would put his/her total salary over the maximum of the salary range?**

No, under no circumstances may an administrator receive an increase that would put their new salary above the range maximum. In no case may the total of a base salary and a merit-based lump sum exceed the salary range maximum.

**14. Is there an upper limit on individual merit increases?**

While the maximum of the salary range serves as the ultimate limit on individual increases, any increase of more than 10.0 % requires advance approval by the Office of the Chancellor. You should send requests for such approval, explaining the basis for the request, to Linda Skallman, the Associate Vice Chancellor – Personnel.

**15. How recent must a performance appraisal be to support the granting or denial of a merit increase?**

Our intent is to reward performance demonstrated in the Fiscal Year ending June 30, 2008. The institution can determine what schedule to use for performance appraisals. State law and sound human resources practices require that each employee have at least one performance appraisal per year. More frequent appraisals are appropriate for newer administrators or administrators with performance difficulties.

**16. What is the purpose of having the Office of the Chancellor review the merit rosters prior to actual implementation of the merit increases?**

Our review has two primary purposes. First, we want to make one final check that the SCUPPS roster is accurate. This review is accomplished by extracting more detailed information from SCUPPS separately and in advance of the administration of Merit Increases. Second, we need to verify that Linda Skallman has approved any individual increase in excess of 10 percent.

**17. Are interim administrators eligible for merit increases?**

Yes, interim appointees are eligible if they meet the same criteria as continuing administrators. Their names should appear on the roster. The exception to this statement would be any administrators serving as interim presidents on June 30<sup>th</sup>. Vice Chancellor Tschida will work with the Chancellor to establish their new base salary upon their return to their continuing appointment.

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**18. May we give a Merit Increase to an Administrator appointed after June 30, 2008?**

No, these Merit Increases are based on demonstrated performance in the period ending June 30, 2008. New Administrators who were appointed to their positions after that date did not have the opportunity to demonstrate their ability to perform their assigned duties. If you wish to reconsider the starting salary of any new Administrator appointed after June 30, 2008, please contact Linda Skallman.

**19. How do we calculate merit increases for Administrators whose base salary has changed since June 30<sup>th</sup> due to promotions or in-range adjustment?**

The Administrator's June 30<sup>th</sup> base salary is still used to calculate the merit pool and the dollar amount of their merit increase will be added to their base salary. For example, an Administrator with a base salary of \$75,000 on June 30<sup>th</sup> was promoted in July and has a base salary of \$80,000 after the promotion. If the President decides to grant a \$2,250 (3.0 %) merit increase to this Administrator, that percentage and/or dollar amount is entered in the roster. When the roster has been reviewed and locked, the \$2,250 increase is implemented by applying it to the Administrator's July 1, 2008 base for the period from July 1, 2008 to the date of promotion and to the post-promotion base salary (\$80,000) effective with the date of promotion..

**20. How do I print the SCUPPS Merit Roster in a format that is best to read?**

The roster is a little easier to read if you print it in landscape format instead of portrait. With the roster open and the fields populated, go to the menu at the top of the page and click on "File", then "Page Setup". Then select "Landscape", click on "OK", and then click on "Print". This works best if you print while outside of the "edit mode", which means you will not be able to print the Merit Pool amount, etc. If you try to print in edit mode, you need to select how many pages you want to print or else you will print many mostly blank pages.

If you have questions, please contact Jim Lee at 651-296-3819 or [jim.lee@so.mnscu.edu](mailto:jim.lee@so.mnscu.edu) .