

UMW 2017 FAQs

(Adapted from [Department of Human Resource Management FAQ's](#))

Employee Eligibility

1. Who is subject to the July 10, 2017, 3% base salary adjustment?

Classified staff and A/P faculty hired on or before April 10, 2017 and remaining employed as of July 10, 2017 will receive a 3% base pay increase effective July 10, 2017, provided they received a rating of at least "Contributor" or satisfactory on their last performance evaluation or more recent interim evaluation.

Full-time teaching faculty hired on or before April 10, 2017 and returning August 16, 2017 will receive a 3% base salary increase effective August 16, 2017; additional increases were provided to some faculty in order to address salary compression and to make progress in meeting market benchmarks for faculty salaries; these increases were described in President Paino's email to all faculty on May 16, 2017; all faculty should have now received their salary notification letters.

All wage employees who were employed in positions as of April 10, 2017 and remaining employed on July 10, 2017 will receive the 3% pay increase effective July 10, 2017.

2. Who is NOT subject to the July 10, 2017, 3% base salary adjustment?

Employees who were hired or rehired after April 10, 2017 and employees who received a rating of "Below Contributor" or unsatisfactory rating on their last performance evaluation or more recent interim evaluation are not eligible to receive the 3% base salary adjustment effective July 10, 2017.

3. Why was April 10, 2017 selected as the cutoff employment date for the increases defined above?

These base salary adjustments are performance-driven increases. The three-month period from April 10, 2017, to July 10, 2017, does not provide a reasonable period for an agency to assess the probationary or interim progress of a new employee.

4. Who is subject to the September 10, 2017 additional 2% salary adjustments for high-turnover roles?

UMW classified employees in the high turnover roles identified by the state as listed below who were employed in positions as of June 10, 2017, and who received at least a rating of "Contributor" or satisfactory rating on their last performance evaluation or more recent interim evaluation are eligible to receive the 2% salary adjustment

for high-turnover roles effective September 10, 2017.
Housekeeping and/or Apparel Worker I - 79071
Registered Nurse I - 49112
Registered Nurse II/Nurse Practitioner I – 49113

5. Will employee performance ratings affect eligibility for the July 10, 2017, and the September 10, 2017, salary adjustments?

Yes. The July 10, 2017 and the September 10, 2017, salary adjustments are performance-driven. Employees must have received a rating of “Contributor” or satisfactory rating on their latest performance evaluation or more recent interim evaluation in order to be eligible to receive a salary adjustment.

6. Can written notices under the Standards of Conduct policy be used to deny a July 10, 2017 or September 10, 2017, salary adjustment?

*No. Written Notices were not included in the eligibility criteria approved by the Governor and General Assembly. For this reason, and because written notices are issued for a wide range of infractions, they should not be used exclusively to deny the increase – an interim performance evaluation is also needed. If an employee’s performance has declined to the extent that it is at the “Below Contributor” level, the supervisor should conduct an interim performance evaluation (note: as always, a written notice may be considered as documentation of performance during the interim performance evaluation process). **Agency management is responsible for assuring that all agency employees who receive the July 10, 2017 and/or the September 10, 2017, salary adjustments are performing at the contributor level or above.***

7. Are employees whose ratings for the 2016 performance evaluation were recorded as “On Leave” eligible for the July 10, 2017 or September 10, 2017, salary adjustments?

Yes. An entry of “On Leave” in the 2016 state database will not automatically disqualify an employee from receiving the July 10, 2017 or September 10, 2017, salary adjustments if the employee is in active status on the increase date, and the employee’s agency certifies that the employee meets the requirement for satisfactory performance.

8. Are employees whose performance was not rated in 2016 eligible for the July 10, 2017 or September 10, 2017, salary adjustments?

Yes. Agencies are responsible for ensuring that sufficient documentation exists to support satisfactory performance for any employees.

- 9. How should agencies treat employees whose performance has changed significantly since their 2016 evaluation so that their eligibility for the July 10, 2017 or September 10, 2017 salary increases cannot reasonably be based on that evaluation?**

Agencies are responsible for ensuring that sufficient documentation exists to support satisfactory performance for any employees who are unblocked or unsatisfactory performance for employees who are blocked. This documentation could include: interim evaluations; probationary progress review forms; and notice of sub-standard performance forms. Agencies should ensure that all employees are aware of their current performance rating and its impact on these salary increases.

- 10. Some recently hired employees will meet the employment date for eligibility for the salary adjustments, but will not have a performance rating in the 2016 state database - how should the agency document that the employee meets the required performance level?**

Agencies are responsible for ensuring that sufficient documentation exists to support satisfactory performance for newly-hired and other employees who have no rating in the 2016 state database. This documentation could include: interim evaluations and probationary progress review forms.

- 11. Are employees whose positions are funded entirely by the federal grants or other specified funding sources subject to the July 10, 2017 or September 10, 2017 salary changes?**

Yes. As with other general, performance, role specific, or across-the-board increases that are funded in the state budget, the increases apply to employees whose positions are funded by grants or other special funding sources in addition to those funded by the General Fund.

- 12. Are wage employees eligible for the additional 2% salary increase provided for high-turnover roles on September 10, 2017?**

No, the Act authorizes agencies to adjust the hourly rates of pay for wage employees by 3% no earlier than July 10, 2017. The additional 2% salary increase for high-turnover roles applies to salaried classified employees.

- 13. For employees separating effective July 10, 2017 or September 10, 2017, will the July 10, 2017 or September 10, 2017 salary adjustments apply to their leave payments or other benefits?**

No. The last day worked for an employee separating effective July 10, 2017, is July 9, 2017. Therefore, the employee is not employed on July 10, 2017, and is not eligible for the July 10, 2017 salary increases.

The last day worked for an employee separating effective September 10, 2017, is September 9, 2017. Therefore, the employee is not employed on September 10, 2017, and is not eligible for the September 10, 2017 high turnover roles salary increases.

Effect on Employee's Compensation

14. How will this change affect my "take-home pay"?

*Each employee's situation is somewhat unique, depending on his or her salary and the deductions that are taken from his or her paycheck. The higher annual salary will result in an increase in all payroll tax withholdings and other salary-based withholdings like Optional Life Insurance. Therefore, it is likely that the change in take-home amounts may vary somewhat among employees as a result of payroll deductions. **Note:** Optional Group Life withholding only changes on January 1 of each year, regardless of salary changes during the year.*

15. When will I see the changes in my paycheck?

- *For classified and A/P Faculty, the salary increase will appear in the August 1, 2017 paycheck.*
- *For wage employees, the hourly rate increase will appear in the August 4, 2017 paycheck.*
- *For full-time teaching faculty, the salary increase will appear in the September 1, 2017 paycheck.*

The September 10, 2017 salary adjustments will appear in the September 29, 2017 paycheck.

16. Can all or part of the July 10, 2017 or September 10, 2017 salary adjustments be deposited into Deferred Compensation?

Yes. The salary adjustment becomes part of an employee's new regular salary. As such, part or all of the increase may be deferred to the 403(b) or 457 Plan, subject to Plan guidelines and limitations.

What is the process for contributing the salary adjustment to the 457 Deferred Compensation Plan?

- *Currently enrolled and new participants may contribute part or all their salary adjustment to the 457 Plan by logging into their account and selecting the new deferral amount or by calling the toll free Plan Support Line at 1-877-327-5261.*
- *To be effective on your August 16, 2017 payday, changes must be made during the period July 1 and July 28, 2017.*
- *For faculty returning August 16, 2017, changes must be made during the period August 1-30 to be effective on your September 16, 2017 payday.*
- *WAGE EMPLOYEES ONLY: Mail or fax the Enrollment Form to the address on the form by July 21, 2017 to be effective on your August 18, 2017 payday effective date.*

What is the process of contributing the salary adjustment to a 403(b) Pre-tax Annuity Plan?

- *Employees currently enrolled with a tax deferred annuity provider may contribute all or part of their salary adjustment by completing the 403(b) Salary Reduction Agreement (SRA) form.*
- *To be effective on your August 1, 2017 payday, you will need to indicate on the 403(b) SRA form the new pay day deferral amount and effective date in section 3 step 3. The SRA form must be received by Payroll no later than Monday, July 10, 2017.*
- *To be effective on your September 16, 2017 payday, you will need to indicate on the 403(b) SRA form the new pay day deferral amount and effective date in section 3, step 3. The SRA form must be received by Payroll no later than Wednesday August 23, 2017.*
- *Participants are responsible for ensuring any additional contribution does not cause their total 2017 403(b) contributions to exceed IRS limits.*

The SRA Salary Reduction Agreement form (403(b) SRA Form) may be found on the UMW Payroll website (see <http://www.umw.edu/documents/document/403bsra>).

Employees not currently enrolled in a 403(b) annuity plan may contact the Benefits Administrator in the Office of Human Resources to obtain information regarding plan vendors.

17. How will the July 10, 2017 or September 10, 2017 salary adjustments affect my retirement benefit calculation?

The salary adjustments will increase employees' creditable compensation. Any future salary increases will be applied to this higher salary. Therefore, any months beginning August 2017 or October 2017 that are included in an employee's Average

Final Compensation will increase the employee's retirement benefit accordingly.

18. Will the July 10, 2017 or September 10, 2017 salary adjustments affect my other benefits?

The salary increase amount is subject to payroll deductions for Social Security and Medicare as well as federal and state income taxes. This may result in an increase in an employee's future Social Security entitlement depending on his or her individual situation. It will also affect the rate used in calculating payments for accrued leave hours.

Calculating the Salary Adjustments

19. Which increase will be applied first?

The salary adjustments will be applied in the following order.

- 1. July, 10, 2017 increases:*
 - a. The 3% base salary increase will be calculated and applied to all eligible salaried, wage and faculty employees.*
- 2. September 10, 2017 increases:*
 - a. If the employee is eligible, the 2% increase for high-turnover roles, will be calculated and applied on September 10, 2017.*

The following examples illustrate the calculations of the salary adjustments for a full-time classified employee, a faculty member, and an employee in a high turnover role, all with a base salary of \$50,000.

For a full-time classified employee or faculty member receiving the 3% increase, the calculation for the 3% increase would be as follows:

$$\$50,000 + 3\% (\$1,500) = \$51,500$$

For an employee in a position in a high-turnover role on both July 10, 2017 and September 10, 2017 the calculations would be as follows:

$$\begin{aligned} \$50,000 + 3\% (\$1,500) &= \$51,500 \text{ (July 10, 2017)} \\ \$51,500 + 2\% (\$1,030) &= \$52,530 \text{ (September 10, 2017)} \end{aligned}$$

20. How will the employee's new salary be calculated?

If an employee is employed 100% (40 hours per week for 12 months), the system will multiply the employee's current annual salary (including cents if there are any) by the appropriate percentage and the result will be rounded to the nearest dollar (.5 and

above rounds up).

If the employee is employed for less than 100% and 12 months, the salary increase will be prorated based on the employee's percent of full time with the calculated result being rounded to the nearest cent.

21. Does Temporary Pay count toward the calculation of the salary adjustments?

No. Temporary Pay is paid when an agency assigns an employee to perform different key (essential) duties on an interim basis, for critical assignments associated with a special time-limited project, or for employees serving in an acting capacity in a higher level position. Because these assignments are temporary, the additional pay associated with them is not creditable for retirement purposes.

Temporary pay must be adjusted by employees' agencies if appropriate.

22. What happens to employees on leave?

- a) Otherwise-qualified employees who are on short-term disability or other paid leave will receive the salary adjustments on the respective effective dates.*
- b) Employees on long-term disability-working will also have the salary adjustments applied to their current rates of pay. The adjustments do not apply to individuals who are on long-term disability-non-working.*
- c) Employees on leave without pay are not eligible for the salary adjustments until they return to work or paid leave.*
- d) Agencies should adjust the military supplements of eligible employees on leave without pay-military to reflect the salary adjustments.*

NOTE: *These rules are based on policies that apply to classified employees.*

Other

23. Will the Commonwealth's Salary Structure be adjusted?

Yes. The minimum for each salary band in the classified [salary structure](#) is being increased by three percent effective July 10, 2017. The maximum for each salary band is being increased by three percent plus an additional \$6,793 also on July 10, 2017. No salary increase shall be granted to any employee as a result of these actions.

24. What happens to employees who were hired after April 10, 2017, at salaries that will be below the new pay band minimums on July 10, 2017?

Agencies may apply pay practices under [DHRM Policy 3.05, Compensation](#), consistent with agency Salary Administration Plans, to adjust the salaries of these employees, if appropriate. In-Band Adjustments effective June 25, 2017, or later will

count against the 10% limit for fiscal year 2018.

25. What happens to employees whose salaries will fall below the new pay band minimums on July 10, 2017, due to “Below Contributor” performance that disqualifies them from the salary adjustments?

Agencies should continue to monitor and document the performance of these employees through probationary progress reviews, interim evaluations, and the formal 2017 performance evaluation process. If employees’ performance improves to the Contributor level, agencies may apply pay practices under [DHRM Policy 3.05, Compensation](#), consistent with agency Salary Administration Plans, to adjust the salaries of these employees, if appropriate.

26. Will there be a performance-based pay increase effective November 25, 2017, in addition to the July 10, 2017, salary adjustments?

No. The General Assembly did not approve additional funding for performance increases effective November 25, 2017. Therefore, agencies, except for those excluded in Chapter 836, 2017 Acts of Assembly, and Item 475, paragraph X.5a-i, may not provide salary increases at that time based on performance during the October 25, 2016, through October 24, 2017, performance cycle.

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