



MEMORANDUM

To: Fiscal Officers
From: Tyrome Alexander, Office of Human Resources
Date: July 24, 2009
Subject: **2009-10 Annual Merit Compensation Process**

This document is intended as a supplement to the Compensation Guidance document for FY10 distributed by Joseph A. Alutto, Executive Vice President and Provost, on March 11, 2009. It provides specific processing instructions necessary for the planning and administration of salary increases for FY10.

There are no functional changes from last year’s AMCP process; however, on July 16, 2009, the Provost provided Guidance on Bonuses and Cash Payments. **For this year only**, bonuses and cash payments should be used as follows:

- Bonuses that are part of a contractual commitment in employment agreements/offer letters may be continued and should be conservatively administered;
- Non-contractual bonuses must be approved by OHR/Organizational and Human Resource Consulting and must be subtracted from the 2.5% compensation budget for the unit;
- Cash payments in lieu of salary increases for faculty or staff at the high end of the pay range are not considered bonuses and may continue to be administered. These cash payments in lieu of raises do not have to be subtracted from the 2.5% compensation budget of the college/unit, but cannot exceed .5% of the total AMC budget. Such payments must be approved by OHR/Organizational and Human Resource Consulting (OHRC).

Provided below is a quick reference of key dates, expectations, and items to be considered during the AMCP process:

Key Dates: ¹	
August 3 – September 1	Annual Merit Compensation Process pages available to users
August 22	Last day to submit salary exceptions for annual increases, bonuses and cash awards to OHR/Organization and Human Resource Consulting (OHRC) for approval
September 1	Last day to submit Annual Merit Compensation Process information to OHR

¹ A complete timeline for the AMCP process is attached to this memo.

Expectations:	
A/R Exceptions	Prior approval from OHR is required for any individual increase exceeding 10% (including annual merit, counter-offer, employment agreement, major equity, and other approved exceptions). All exceptions (both faculty and staff) must be submitted to OHR/OHRC for approval.
Zero Increases	Individuals not receiving a salary increase due to performance or market position must be notified in writing explaining the 0% increase. Although OHR approval is not required, a list of these individuals along with confirmation that each will receive a letter of explanation must be kept in the College/VP Unit.
Cash Award Exceptions	OHR/OHRC must pre-approve all cash awards by August 21.
Ineligibles	A written request to OHR/Payroll is required to change an individual's eligibility on the AMCP panels.

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Attachments: Annual Merit Compensation Process Administrative Procedures
Expanded Annual Merit Compensation Process Timeline

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