

The Ohio State University
Offices of Academic Affairs and Human Resources
Addendum to Fiscal Year 2010 Compensation Guidance

- A. Colleges and administrative units have been approved to provide a 2.5% total aggregate percent increase (2.45% to 2.54% is the acceptable range). Each dean/vice president who anticipates an aggregate percent other than 2.5% must seek written approval from Academic Affairs no later than **August 3, 2009**. Summary compensation data will be posted at the [Office of Human Resources web site](#) for each college/unit, once the process is finalized.
- B. The aggregate percent of increase for faculty, unclassified, and classified staff must remain separate; each category may be more or less than 2.5% as long as the total aggregate is 2.5% and there is no more than 0.25% difference between each. Each dean/vice president who anticipates differentiation greater than 0.25% between any of these groups must seek written approval from Academic Affairs no later than **August 3, 2009**. The difference between faculty and overall staff will not be measured this year, so the differentiation must be considered between each of the three categories: faculty, unclassified, and classified staff.

Salary increases for deans should, on average, be consistent with this guidance memorandum. Salary increases for faculty promotions, counter-offers, and other related actions are not included in the aggregate calculations.

- C. Faculty promotions of 6% are funded centrally for faculty on a general funds appointment and are already reflected in the human resources information system. During the Annual Merit Compensation Process, each promoted faculty member must receive at least the aggregate percentage merit increase in addition to the promotional increase.
- D. All faculty and staff, regardless of hire date or probationary status, are eligible for a compensation adjustment. Colleges/units should delay implementation of raises for staff on probationary status until successful completion of probation. Colleges/units may make recent hires ineligible if covered in an offer letter or unit policy or other communication that the hiring salary is intended to remain constant until FY11 or some other planned salary review period.

Colleges/units may determine that individuals who are resigning, retiring, being laid-off, or on severance are ineligible.

- E. Colleges and/or departments must update their college compensation philosophy annually for salary increases and make this available to individual faculty and staff on secure college web sites or by other methods.

As the university's compensation philosophy provides a market-based, performance-driven framework for compensation, all recommended increases must be based on performance, market and/or equity considerations.

[E. Guideline Documentation—continued]

The college/department compensation increase process should prevent salary disparity or take action to correct disparity where it may exist. Salary disparity exists when the difference in salaries between higher-paid and lower-paid individuals is greater than justified by differences in market value and performance. Distributing raises in dollar increments rather than on a percentage basis is one method available to reduce the growth of salary disparity; another is to write guidelines which slow the growth of salaries for those above market, and increase the growth of salaries for those below market, with performance being equal.

- F. All raises exceeding 10% (not including promotions) must be approved, and are to be submitted to the Office of Human Resources with brief rationale by **August 21, 2009**.
- G. Graduate associates returning to equivalent appointments should receive merit-based compensation increases consistent with the guidelines used for faculty and staff.
- H. Individuals paid by agency funds or other non-general funds accounts (certain affiliated entities) will be governed by the raise guidelines (budget and process) set by each entity's board. Those guidelines do not have to be identical with the university's, but should be reasonably consistent.
- I. External grant-funded areas are given flexibility to use available compensation increase funds with college/unit approval. This decision will typically be linked to overall college/unit compensation principles.

SUMMARY OF NECESSARY APPROVALS		
Approval Needed	Deadline	Where to submit
Aggregate differentiation >.25% (Faculty/ Classified/ Unclassified)	August 3, 2009	Academic Affairs – Provost Alutto
Total college/unit Aggregate other than 2.5%	August 3, 2009	Academic Affairs – Provost Alutto
Increases >10% (excluding Faculty promotional increases)	August 21, 2009	OHR – OHRC Talent Management Consultant