



COMPENSATION PROGRAM

CAMPUS CONVERSATION
JANUARY 2020

WHAT WE WILL DO TODAY

- / How Today Will Work
- / Background
- / WVU Salary Programs Review Committee
- / FY2020 Compensation Program
- / Current Faculty and Staff Pay Distribution
- / Next Steps

HOW TODAY WILL WORK

- / Hear from Paula, Cris and Rebecca
- / Open question-and-answer session

BACKGROUND

- / West Virginia University is committed to **attracting and retaining top talent** by **paying our faculty and staff at market rates** and **recognizing and rewarding high performance** across our institution.
- / However, the driving factor in our ability to address faculty and staff pay comes down to our budget and how the University is funded.
- / Any pay increase for faculty and staff is based on a combination of available funding from the **State's General Fund** and **funding generated by our institution**.

BACKGROUND

- / Only approximately **16%** to **18%** of the University's total operating costs are funded by the State, and the remaining funding must come from other resources within WVU.
- / In June 2019, the Board of Governors adopted a **\$1.1 billion** budget for the current fiscal year, which was approximately **\$17 million less** than the previous year.
- / The budget included the **smallest tuition increases** in at least two decades and aligns with our efforts to keep tuition increases at or near the same level annually.
- / Whenever possible, the University is committed to using any available funds to address faculty and staff pay.
- / Faculty and staff have the opportunity to make a positive impact on **student enrollment and retention** — and thereby our **overall budget** — by continuing to focus on the **student experience**.

WVU SALARY PROGRAMS REVIEW COMMITTEE

- / **Talent and Culture** and the **Division of Finance** recently formed a cross-functional **Salary Programs Review Committee** with representatives for **faculty, classified staff and non-classified staff**.
- / The purpose of the committee is to assist in developing goals for WVU's future salary-increase programs.
- / The committee has suggested the University's upcoming compensation program should continue to focus on retaining **key faculty and staff positions** and **moving faculty and staff who are paid below 90% of market value closer to their market pay rate**.
- / **Performance** also should be a significant factor in the decision-making process for the program.

FY2020 COMPENSATION PROGRAM: OVERVIEW

- / The financial resources for **WVU's FY2020 Compensation Program**.
- / The overall budget for the program is **\$5.8 million** (**\$3.4 million** of which is centrally funded).
- / Therefore, the FY2020 program will focus only on **retention increases** for **selected faculty, FE/AP, non-classified and classified staff**.

FY2020 COMPENSATION PROGRAM: OVERVIEW

- / The objectives for the FY2020 program are to provide targeted adjustments aimed at:
 - / **Retaining high-performing employees, difficult-to-fill positions or employees who ensure academic and/or business continuity.**
 - / **Continuing to bring employees who are paid below 90% of market value closer to their market pay rate.**
- / Retention increases are at the **discretion of the dean or vice president** for each college or unit based on available funds for their area.
- / As part of the FY2020 program, we plan to adjust most **staff pay ranges by 1%**.

FY2020 COMPENSATION PROGRAM: ELIGIBILITY

- / To be eligible for the **FY2020 Compensation Program**, employees:
 - / Must be in a **benefits-eligible faculty, FE/AP, non-classified or classified position** at the University.
 - / Must have been an **active WVU employee on or before Dec. 1, 2019**.
 - / Must have an **overall rating** higher than “**Unsatisfactory**” or “**Development Needed**” in their most recent performance review.
 - / **Must not** be on **active discipline**:
 - / For **classified employees**, this means the employee must not be on **active discipline at a second letter of warning or higher**.
 - / For **non-classified employees**, this requirement includes any **actively documented discipline**.

FY2020 COMPENSATION PROGRAM: TIMELINE

Date:	Event:
Friday, Jan. 17	Deans and vice presidents were provided salary planning worksheets for their area.
Friday, Feb. 7	Worksheets for all areas to be finalized and submitted for approval.
Sunday, Feb. 16	Any salary increases as part of the FY2020 program will become effective.
Monday, Feb. 17	Leaders will begin communicating salary increases to selected employees.
Friday, March 13	Any salary increases will be reflected on a selected employee's paycheck.

CURRENT FACULTY AND STAFF PAY DISTRIBUTION

- / WVU continues to assess the competitiveness of both faculty and staff pay at the University:
 - / We benchmark **faculty pay** by **rank, discipline and tenure/non-tenure track**.
 - / We benchmark **staff pay** to **respective pay range**.
- / The results of this analysis are summarized with a **compensation ratio (compa-ratio)**, which is an employee's **salary divided by the market rate or applicable range midpoint**.

CURRENT FACULTY AND STAFF PAY DISTRIBUTION



/ A compa-ratio **below 90%** is identified as **below market-competitive pay**.

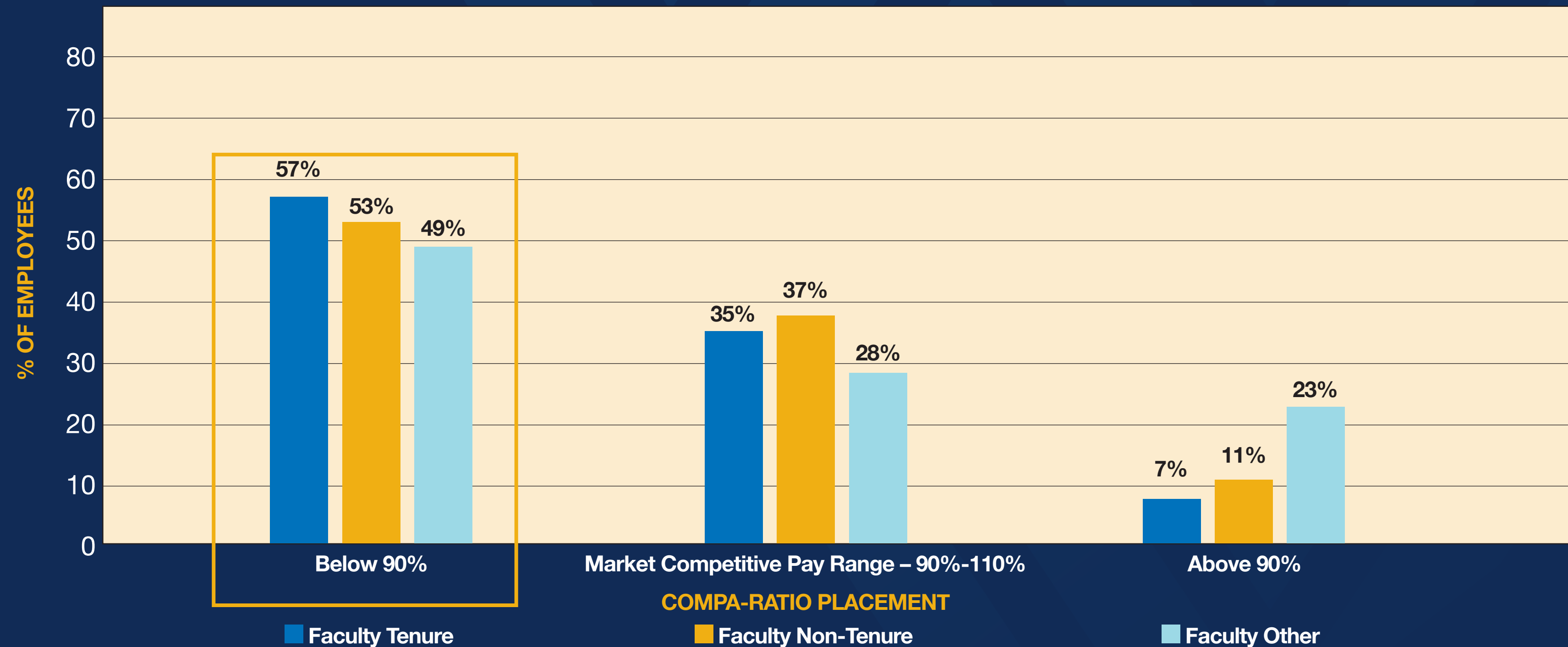
Note: Not all employees are expected to be at **90% of market or above** — there may be legitimate reasons for lower pay (e.g., experience and performance).

/ **Market-competitive range** for base salary generally is defined as **90% – 110%** of market.

CURRENT PAY DISTRIBUTION: FACULTY

/ Our recent analysis has shown that we must continue to focus on paying faculty members at market rates:

FACULTY PAY DISTRIBUTION BY COMPA-RATIO

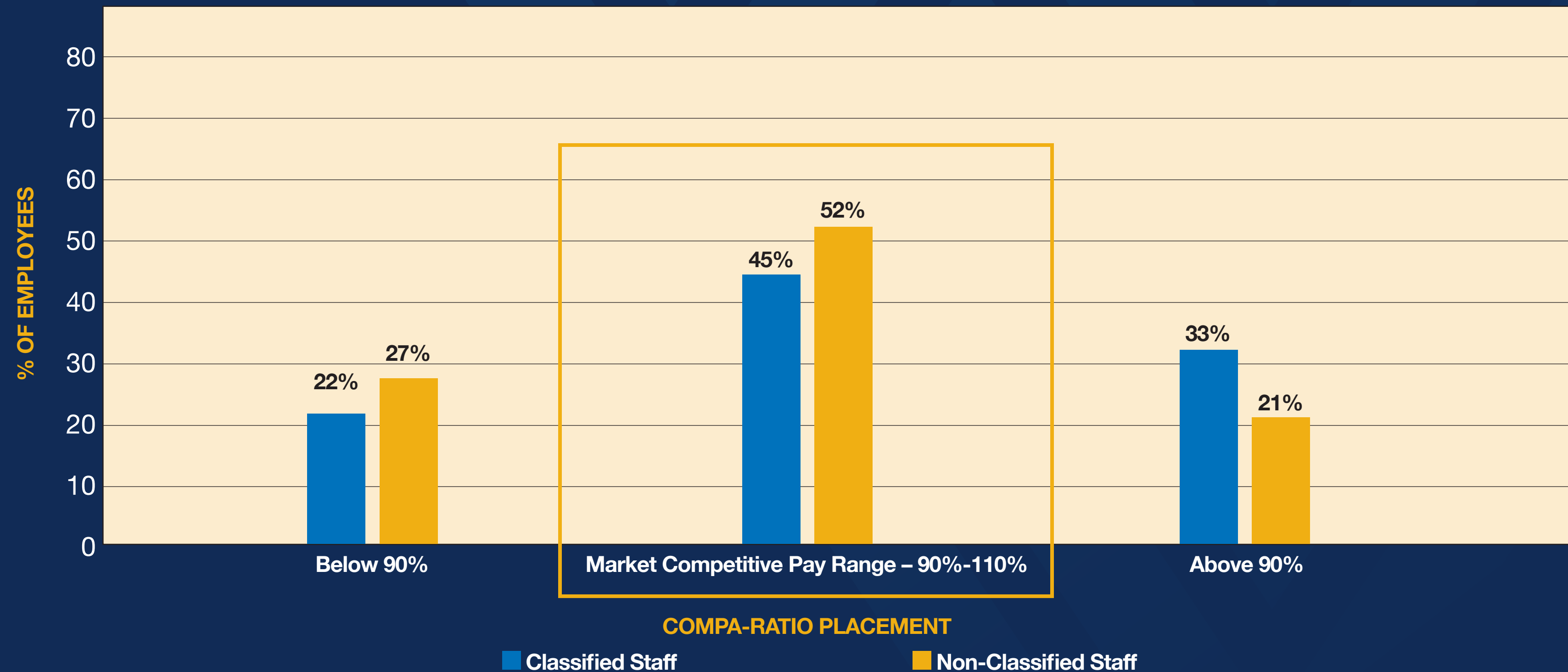


Note: Of WVU's 2,794 faculty members, fewer than 200 do not have a matching compa-ratio. Further, nearly 800 faculty members are WVU Hospital employees and were not part of our analysis.

CURRENT PAY DISTRIBUTION: STAFF

/ We have seen improvements in regard to staff pay — our recent analysis has shown that we currently pay most staff members at market rates:

STAFF PAY DISTRIBUTION BY COMPA-RATIO



NEXT STEPS

- / As a reminder, any salary increases as part of the **FY2020 Compensation Program** will be communicated by leaders to selected faculty and staff beginning **Monday, Feb. 17**.
- / Any salary increases will be reflected on an employee's paycheck on **March 13**.
- / Based on recent salary assessments, WVU plans to adjust most staff **pay ranges by 1%**.

NEXT STEPS

- / Our goal remains to provide a long-term path to more regular pay increases for faculty and staff.
- / However, achieving this goal continues to be dependent on a number of factors, including the ability of the State to stabilize funding and the University's ability to generate additional revenues for compensation adjustments.
- / Through the spring 2020 semester, **Strategic Initiatives** plans to host a series of **budget information sessions** to provide a deeper dive into WVU's budget process. Stay tuned for more information.

QUESTIONS?

CONTACT INFORMATION

- / Visit the **Talent and Culture** website (talentandculture.wvu.edu) for more information.
- / Contact the **Compensation** team at ClassComp-HR@mail.wvu.edu or **304-293-5700 ext. 6** with any questions.
- / An archived version of this Campus Conversation will be available at bureaucracybusters.wvu.edu/campus-conversation.
- / You may continue to submit questions to campusconversations@mail.wvu.edu.
- / Stay tuned for upcoming Campus Conversations.