

MICHIGAN STATE UNIVERSITY

September 2010

MEMORANDUM

TO: Vice Presidents and Heads of Major Administrative Units

FROM: Brent K. Bowditch, Assistant Vice President of Human Resources *BK Bowditch*

SUBJECT: Salary Increases for Nurses, AP Confidential, and AP Off-Campus

MSU Human Resources is preparing to process the October 1, 2010 salary increases for Nurse, AP Confidential and AP Off-Campus employees. Please be aware that while there is an increase this year, next year's October raise will be 0%. This memorandum provides important information about the annual salary increase program and outlines your role in the process.

EFFECTIVE DATE, ALLOCATION METHOD, AND ELIGIBILITY CRITERIA

10/1/10 Merit Increase: 2.75% salary increase funds calculated on the total salary base as of August 31, 2010 will be made available for eligible employees who are Nurse, AP Confidential or AP Off-Campus employees on October 1, 2010.

The pay range minimum and Automatic Progression Level (APL) of each grade level will be increased by 2.75% effective on October 1, 2010.



HUMAN RESOURCES

Assistant Vice President

Michigan State University
Nisbet Building
1407 S Harrison, Suite 250
East Lansing, MI
48823-5239

517/355-0290
FAX: 517/432-4921

www.hr.msu.edu

MERIT PAY GUIDELINES AND COMMUNICATIONS

The following guidelines should be considered when making merit pay decisions:

- Consider employees' performance over the past year based on unit designated criteria. Your conclusions about performance should have previously been reviewed with employees through the appraisal process and during regular performance discussions.
- Topics to discuss should include the performance criteria used, key performance results, and any merit guideline or standard used.

The University places a high value on thorough communication about merit awards. An important step of the annual raise process is to communicate with employees about the rationale upon which their merit allocations were based.

- Please ensure that immediate supervisors in your unit communicate with each individual employee regarding his/her October 1, 2010 merit salary raise prior to the distribution of the October 29, 2010 paycheck.
- To emphasize the importance of salary increase decisions and the resulting communication process, please share the enclosed memorandum to all individuals in your unit who are responsible for merit pay decisions.

SALARY RAISE LIST INSTRUCTIONS

Completion of Salary Raise Lists

The enclosed lists are to be used to implement the 2010 salary increase. Please note that the lists are based on the August 31, 2010 salary base, and that dual positions and control totals are reflected only on the primary department lists. "Primary" and "Dual" positions are noted as such on the raise lists. The salary raise lists include the following pertinent columns:

- **Base Salary as of 8/31/10**

Note: Please verify the base salary for those employees who have had salary adjustments or any other personnel change (e.g. terminations, new appointments and transfers) processed after August 31, 2010. Make any necessary corrections to the base salary, general increase, and control totals on the raise list.

- **Merit Increase:** The merit amount you determine should be entered in the "Merit Increase" column. When no merit amount is given, please enter a zero. Control totals for the merit increase are printed at the end of each department and MAU report. *MAUs are to distribute the entire control total amount; however, the control total should not be exceeded.*
- **Final 10/1/10 Salary:** Calculate the "Final 10/1/10 Salary" by adding the "Base Salary" to the "Merit Increase" amount and enter the sum in the "Final 10/1/10 Salary" column.
- If the final 10/1/10 salary is below the new pay grade minimum, Human Resources will automatically increase it to minimum.
- If you wish to provide a special salary increase beyond the control total, you must submit a PAN form to process the special salary increase.

Finalization and Submission of Salary Raise Lists

Department Heads should sign all lists and return them to Human Resource/Records, 110 Nisbet by 5:00 p.m. September 27, 2010. Formal salary increase notification letters and updated PAN forms will be mailed the week of October 18, 2010. Updated salaries will be reflected in the October 2010 paychecks. **If you have any questions, please call Rosy Ovenhouse at 884-0129.**