Scope:
This policy applies to faculty, including instructional, research, administrative and professional faculty. All faculty salary increases, including those that accompany a change in rank or tenure status, take effect on November 25, 2004. All faculty salary increases are merit-based.

The allocation of faculty salary increases provides an opportunity to address salary problems in areas where faculty salaries have fallen below appropriate market averages; in areas where retention or recruitment problems have been documented; in areas identified as institutional priorities; and in areas critical to the University’s continued success.

Any exception to the below policy and procedures must have the prior written approval of the appropriate vice president, and the President’s approval.

November 2004 Faculty Salary Increase Pool:
The Commonwealth of Virginia approved an average, merit-based, faculty salary increase of three percent during the spring 2004 session. The Board of Visitors approved a supplemental, merit-based, average increase of two percent for full and part-time faculty at its June 2004 meeting. This action funds the second year of the Board’s four-year plan to increase the University’s overall faculty salary average to the 75th percentile of AAU institutions.

Distribution of November 2004 Salary Increase Funds:
The University Budget Office will increment the state general and local general awards of each major school or unit for an amount equal to 4 percent, plus related benefit costs, of the annualized faculty salary expenses and 5 percent of the annualized GTA salary expenses. The school or unit will be responsible for funding a 4 percent increase on other award types (sales and service, auxiliary, private, or grant-related).

Schools and units may recommend total salary increases which exceed the 4 percent, provided the amount in excess of the average 4 percent pool is funded from within the school’s or unit’s own resources and the re-allocation of resources is approved by the appropriate vice president.

The remaining 1 percent of annualized faculty salary expenses following the November 25, 2003 salary increase is retained by the Provost to address institutional priorities.

School/Department Salary Recommendation Procedure:
Each faculty member’s salary and her/his November 2004 recommended salary increase should be based on an objective written assessment of the individual’s performance, as well as comparable, documented market information. The faculty member will be responsible for the submission of a formal annual report, which will serve as the basis for the dean/department head’s written evaluation of his/her performance. Those who have successfully achieved an
important career milestone, such as a promotion and tenure review, should receive special consideration. Data from the AAU Data Exchange is provided to assist in the evaluation of market equity. Upon request, the Vice President for Finance and the school or unit’s vice president may approve the use of alternative, documented market data, if appropriate.

By October 15, 2004, each school or major unit must provide the following to the relevant vice president:

1. A narrative outlining the strategy and performance criteria used in making faculty salary recommendations, addressing each of the following:
   a. Faculty recruitment and retention, including how any increases are targeted to those areas where recruitment and retention are particularly problematic;
   b. Salary compression and/or market equity issues, and the steps the school is taking to address these issues through targeted salary increases;
   c. The school/unit’s strategy for using its allocated pool of salary increase dollars to support the Virginia 2020 academic initiatives in fine and performing arts, science and technology, public service, and international activities; and
   d. Remaining critical compensation issues that are not addressed as part of the school or unit’s November 2004 salary recommendations, and why the issues remain open.

2. An Excel spreadsheet, in the format provided, including:
   a. The recommended faculty salary increase for each individual faculty member and supplemental compensation received by faculty in each area for teaching (including undergraduate, graduate, and non-degree programs) or through foundation-sponsored activities. Summer pay for nine month faculty should be excluded.
   b. A brief narrative for each recommendation, outlining specific reasons for the recommendation, including how supplemental compensation is factored into the recommendation.
   c. Any individual instructional and research faculty salary increase recommendation greater than or equal to 10 percent;
   d. Any individual administrative and professional faculty salary increase recommendation greater than 4 percent;
   e. Any individual faculty salary increase recommendation of 0 percent; and
   f. (VP only) All senior-level administrative and professional salary recommendations.

Approval Process:
By November 20, 2004, deans and department heads will be notified of approved salary recommendations. THIS IS A CONFIDENTIAL PROCESS. No dean, department head, or other University employer has authority to disclose any pending or recommended increase to any employee (faculty or other) until final approval is received from the appropriate vice president.