

**UNIVERSITY OF ILLINOIS AT URBANA-CHAMPAIGN**  
**FY 2020**  
**BUDGET GUIDELINES**  
Issued 6/24/19

**SALARY RATE INCREASES**

The general personnel salary program consists of a merit-based 2.0% increment, except where union settlements dictate otherwise. The effective date of the increases for academic employees is August 16, 2019, and for civil service is August 25, 2019. As a merit-based 2.0% program, it is expected that there will be a range of salary increases within a unit. Salary increase decisions for individuals funded with restricted funds are subject to the same guidelines as govern such decisions for individuals funded with State funds.

As in the past, Provost Office approval is required for the following specific cases:

- Salary increases greater than 7.0%
- Academic salary assignments of greater than \$90,000 that are new appointments or are meeting/exceeding this salary level for the first time (per Communication No. 3)
- Salary increases for individuals hired on or after March 1, 2019, or who received a significant pay increase on or after March 1, 2019
- Zero-percent increases

With the exception of greater than \$90,000 cases, which require no explanation, these approval requests should be entered into the comments field of Salary Planner and will be reviewed by Illinois Human Resources and the Office of the Provost in Salary Planner. Thus, **there is no need to submit a supplementary listing.**

**Eligibility**

Promotional increases for faculty effective August 16, 2019, do not disqualify them from participation in the general salary program and are not intended to replace merit increases. This applies to both tenure system and specialized faculty promotions.

**Promotion in Rank Increases**

Promotional increase amounts for tenure system and specialized faculty are listed below. <sup>1</sup>

<b>Tenure System Rank</b>	<b>Amount</b>
Assistant to Associate Professor (Tenure)	\$7,000
Associate to Full Professor (Tenure)	\$10,000

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<sup>1</sup> As of the date these Budget Guidelines are issued, the University has reached a tentative agreement on the successor bargaining agreement with the Non-Tenure Faculty Coalition; when the new agreement is fully executed, an addendum to this document will be provided.

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<b>Specialized Faculty**Non-NTFC only for August 16, 2019</b>	<b>Amount</b>
Instructor to Senior Instructor	\$2,000
Lecturer to Senior Lecturer	\$2,000
Teaching/Clinical/Research Assistant Professor to T/C/R Associate Professor	\$3,000
Teaching/Clinical/Research Associate Professor to T/C/R Professor	\$4,000

The tenure system faculty promotional increase amounts listed above will again be provided by campus. Colleges have the ability to provide promotional increase amounts over and above those listed for both tenure stream and specialized faculty.

Units should conduct performance appraisals in accordance with campus policies prior to recommending increases. Completed appraisal forms will be retained in the unit.

**Employees who have been issued a notice of non-reappointment based on performance shortcomings should not receive a salary increase.**

Employees who were hired (new hire or new position) on or after March 1, 2019, or who received a significant pay increase effective March 1, 2019, or after, will not generally be considered for an August 2019 increase unless a prior commitment was made.

Employees in an open range civil service probationary period are not eligible for consideration for a merit increase until they have successfully completed their probationary period. Open range civil service employees serving a probationary period at this time may be granted a merit increase within 30 calendar days following completion of the probationary period.

At this time, employees in positions covered by the Non-Tenure Track Faculty Coalition (NTFC) bargaining unit are not eligible for an increase until contract negotiations are complete. NTFC covered employees will be eligible for increases in accordance with the provisions of the bargaining agreement once it is fully executed.

### **Collective Bargaining Agreements**

Salary increases for employees in represented categories are governed by the collective bargaining process and negotiated agreements.

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For FY 2020:

<b>Collective Bargaining Unit</b>	<b>Increase %</b>	<b>Additional Information</b>
Non-Tenure Track Faculty Coalition (NTFC)	As of the date these Budget Guidelines are issued, the University has reached a tentative agreement on the successor bargaining agreement with the Non-Tenure Faculty Coalition; when the new agreement is fully executed, an addendum to this document will be provided.	
Visiting Academic Professionals (VAP)	Campus Salary Program - 2%, merit-based	Must be employed as of August 15, 2019 AND increase effective only on individual appointment renewal date.
Graduate Employee Organization (GEO) TA and GA appointments only	Campus Salary Program equivalent = 2%	For those assistants reappointed in the same job and in the same unit that the assistant held in the previous semester (excl. summer) or within the three previous academic years.
University Lab. High School Faculty Organization (UFO)	Campus Salary Program – 2%, merit-based	
Various Civil Service Bargaining Units	Consult the appropriate agreement.	Required increases will be applied centrally by Illinois Human Resources.

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### Salary Minimums

Unless otherwise called out in the chart, minimums are regardless of collective bargaining inclusion or not, or fund source.

<b>Employee Group</b>	<b>FTE</b>	<b>Academic Year Minimum</b>	<b>12 Month Minimum</b>
Tenure System Faculty	1	\$45,000.00	\$55,000.00
Specialized Faculty	1	\$45,000.00	\$55,000.00
Specialized Faculty	<1	\$28,888.00 prorated	\$35,308.00 Prorated
University Laboratory High School Faculty Organization Members	1	\$43,000.00	N/A
University Laboratory High School Faculty Organization members	<1	\$28,888.00 prorated	N/A
Postdoctoral Research Associates	1	\$35,181.82	\$43,000.00
Academic Professionals	1	\$28,888.00	\$35,308.00
Graduate Assistants (TA/RA/PGA/TAR)	0.5	\$17,788.00, prorated	\$23,717.28, prorated

Prorated Graduate Assistants Minimum Salary Ranges are available at <http://humanresources.illinois.edu/assets/docs/AHR/Grad-Minimum-Salaries-2019-2020-for-website-posting.pdf>

Open range civil service salary minimums are established by classification, available at <http://humanresources.illinois.edu/employees/current-employees/civil-service/Permanent/salaryplan.html>.

### Processing

Salary Planner is used for units to submit their salary recommendations for civil service open range and budgeted academic appointments. Illinois HR will provide detailed Salary Planner instructions to those with Salary Planner access.

Non-budgeted employees shall be processed through the normal appointment process via HR Front End (HRFE) transactions, including pre-approval of job/title/salary changes, if applicable. The expectation is that employees in non-budgeted positions should receive an annual increase on their annual reappointment date via HRFE.

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### Unit Submission Deadlines

Entry Method	Deadline
Academic Salary Planner	07/26/19
HRFE Admin Transactions to supply documentation supporting Salary Planner changes	08/16/19
Civil Service Open Range Salary Planner	07/26/19
HR Front End Job Changes for non-budgeted employees	08/23/19

### Contact Information

Faculty (tenure-system and non-represented specialized faculty)	Vicky Gress	<a href="mailto:gress@illinois.edu">gress@illinois.edu</a>	333-4885
Academic Collective Bargaining Unit Employees (NTFC, VAP, GEO, UFO)	Leslie Arvan Robb Craddock	<a href="mailto:arvan@illinois.edu">arvan@illinois.edu</a> <a href="mailto:rcread01s@illinois.edu">rcread01s@illinois.edu</a>	333-3105
Postdoctoral Research Associates	Jessica Mette	<a href="mailto:jmette@illinois.edu">jmette@illinois.edu</a>	333-7466
Open Range Civil Service	Robbie Witt	<a href="mailto:rswitt@illinois.edu">rswitt@illinois.edu</a>	333-3101
Civil Service Bargaining Unit Employees	Robb Craddock	<a href="mailto:rcread01s@illinois.edu">rcread01s@illinois.edu</a>	333-3105
General Salary Planner Use	Doug Lamb (acad) Phil Stanton (cs)	<a href="mailto:dougl@illinois.edu">dougl@illinois.edu</a> <a href="mailto:prstanto@illinois.edu">prstanto@illinois.edu</a>	333-7466 333-2136

### INTEGRATED and VALUE-CENTERED BUDGETING MODEL

FY 2020 marks the first year of implementation of the Integrated and Value-Centered Budgeted (IVCB) model, with FY 2019 serving as the baseline year. This model is integrated across disciplines and mission areas with a focus on strategic priorities and the strategic plan. Its value-centered focus allows for flexibility and capacity for units to shape their future around unit values and for university-wide investments consistent with values, strategic priorities, and university-wide excellence to be made. Details regarding the FY20 revenue and cost allocations via the IVCB model can be found on the colleges' IVCB statements, which will accompany the FY 2020 allocation letters. Provost Communication #1, Budgetary Principles and Practices, will be updated to reflect the new model.

## **FY 2020 BUDGET INCREASES & ASSESSMENTS**

The FY 2020 budget passed by the legislature included a 4.5% increase for higher education, from which central campus will cover common cost increases including the base salary program for state-funded/budgeted employees (under IVCB tuition-generated units are asked to fund 33% of the base program costs), centrally-funded financial aid (under IVCB tuition-generating units are asked to fund 25% of the incremental increase), the campus's portion of TOP and Dual Career hiring programs, Medicare and Worker's Compensation increases, and other strategic campus priorities.

## **INVESTMENT FOR GROWTH**

In FY 2018, \$10.6 million in recurring funds was reallocated from activity-based units to growth and reorganization proposal awards via the Investment for Growth (IFG) initiative. In FY 2019, an IFG reallocation occurred among the activity-based units, but at half of the FY 2018 rate or \$5.3 million. The FY 2020 reallocation amount is \$5.3 million and will be reflected on the IVCB Statement.

## **CONTROL OF FUNDS DURING FY 2020**

In developing the budget for State funds, units will be allowed to reallocate funds from one budget category (academic salaries, nonacademic salaries, wages, expense, and equipment) to another. Each major academic unit may have an "unassigned account" in which all funds for vacant academic positions, new allocations, or dollars generated through the reduction or elimination of programs by the college will reside until the relevant Vice Chancellors, Deans and Directors determine the utilization of the resources.

Vice Chancellors, Deans, and Directors will continue to control salary dollars related to academic leave lines. Units will retain control of all funds related to academic and civil service staff salary lines that become vacant during the year. Units are encouraged to give serious consideration to infrastructure needs (wages, expense, or equipment) when making personnel decisions.

To facilitate financial planning and budget-to-actual reporting, please ensure the FY 2020 budget entered into Budget Development is recorded in the account code in which you expect to expend the funds.

## **ALLOCATION OF ICR FUNDS**

Under the IVCB model we attribute ICR revenues differently than funds flow in the Banner System. However, the ICR funds continue to flow in the Banner System based on the Campus's ICR Policy. This section refers to only the distribution of funds in the Banner System. Unless another distribution formula has been approved for a unit, 45% of

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indirect cost recoveries (ICR) related to facilities and administration will be distributed to the college and department. In addition, 75% of earnings related to tuition remission will be distributed to the academic college of the student generating the remission. Remission funds may be used to fund graduate education and support graduate students. These funds can be used by units to fund partial fellowships required as student's salaries reach the NIH salary cap.

The procedures to be followed in preparing the FY 2020 budget for ICR earnings are as follows:

1. An estimate of the F&A earnings portion of the total indirect cost to be recovered during FY 2020 is to be made by the college and department and recorded as a revenue and expense budget in the appropriate C-FOP via the budget development application. Program codes used for budgeting F&A related ICR should have the 'E'arned attribute.
2. An estimate of the tuition remission earnings portion of the total indirect cost to be recovered during FY 2020 is to be made by the college and recorded as a revenue and expense budget in the appropriate college-level C-FOP via the budget development application. The program code used for budgeting remission related ICR should have the 'T'uition remission attribute.
3. Do not include expected carry-over in the FY 2020 budget process.
4. The recorded budget for F&A earnings will be reflected in monthly detailed F&A earnings statements. Budget adjustments will be made semi-annually to reflect the actual and projected earnings for the year.
5. The recorded budget and actual tuition remission earnings will be reflected in quarterly tuition remission earnings statements. The budget office will transfer "actual" tuition remission revenue on a quarterly basis to the designated college-level tuition remission FOP; the budget will be adjusted to reflect actual recoveries at the end of FY 2020. The college is responsible for distributing the tuition remission based on their internal ICR policy.
6. Since allocations for both F&A and tuition remission earnings will be adjusted to reflect actual earnings, units will not be either advantaged or disadvantaged by the level at which they set their earnings estimate.

In the case of interdisciplinary programs, there may be some question as to the distribution of ICR funds. If the parties involved are unable to resolve a problem, they should consult the Office of the Provost.

Please remember that no F&A funds should be budgeted or expended for the direct support of instructional programs. Instructional programs are those courses which are credit-bearing and/or courses which lead to a credit-bearing degree. Additionally, ICR funds should not be expended in administrative units whose only activity is the support of instructional programs.

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While every effort will be made to accommodate the individual ICR carry-over requests of departments, the campus, as a whole, is limited to a carryover of 30% of the total ICR budget. Please work with the Office of the Provost, Budget and Resource Planning, if you anticipate a large increase in your year-end balance.

To facilitate financial planning and budget-to-actual reporting, please ensure the FY 2020 expense budget entered into Budget Development is recorded in the account code in which you expect to expend the funds.

### **BUDGETING ENDOWMENT INCOME**

Units receiving endowment income will be notified of the assigned FY 2020 budget excluding carry-over balances. The FY 2020 budgeted amount is based upon 4.0% of a six-year moving average of the endowment pool market value.

The income budgeted for FY 2020 is guaranteed; however, additions or withdrawals from the endowment pool made before June 30, 2019 will result in a budget adjustment. Over or under realizations of income at the end of FY 2020 will be charged or credited to the account which holds gains or losses from sales of securities.

### **RESTRICTED FUNDS**

Restricted funds include all grants, contracts, self-supporting and auxiliary activities, storeroom and service departments, and other similar accounts, the use of which is restricted to specific purposes. Expenditures made from these funds are subject to the Board of Trustees general rules governing such expenditures and must be within the total income accruing in the account involved.

It is the responsibility of department heads and similar officers to see that funds are available for all positions or other items listed under restricted fund accounts. Salary minima, union negotiations, and other University regulations governing appointments and the use of funds apply to restricted funds. Salary increase decisions for individuals funded with restricted funds are subject to the same guidelines as govern such decisions for individuals funded with State funds.

### **CONCLUSION**

Questions concerning these Budget Guidelines should be addressed to Vicky Gress, Andrea Hoey, or Gina Oleynichak at 333-4493.