

**Bloomington Campus**  
**Quick Guide to Budget Construction FY 2024-25**

Deadline for Salary exceptions and supporting materials: **Saturday, April 27, 2024**

Deadline for completion of Budget Construction: **Thursday, May 16, 2024**

Deadline for submission of Budget Narrative: **Tuesday, May 14, 2024**

**Salary and Wage Policy**

The salary and wage policy for FY25 provides salary and wage setting guidelines which support the objective of optimizing the university's ability to continue to attract and retain outstanding faculty and staff talent.

**The salary and wage policy is predicated on an overall budget framework WITHOUT structural deficits.**

**FY25 Policy**

- Each RC average base salary increase pool is approved at **3%** for continuing faculty and staff:
  - The maximum salary increase pool is 3%, and the allocation of that pool is at the discretion of the RC. RC allocation procedures must comply the University salary policy and excludes non-exempt staff represented by a union.
  - The minimum salary increase is 1%, and in the event no salary increase is provided, units should provide an includable reason code (noted below).
  
- Increases above 8% without one of the exception codes noted in this policy should be sent to the appropriate office:
  - Exceptions for faculty will need approval from VPFAA ([apps@iu.edu](mailto:apps@iu.edu)) prior to submission for campus approval.
  - Exceptions for staff will need approval from IUHR ([hrcomp@iu.edu](mailto:hrcomp@iu.edu)) prior to submission for campus approval (IUHR Comp will submit for Vice Provost for Finance & EVP & Provost approval). These increases will be approved by the Executive Vice President & Provost prior to being reviewed by the Vice President for Human Resources and the Executive Vice President for Finance & Administration.
  - The BL Finance Office will obtain exception requests and documentation from HR and VPFAA.

A list of **includable** reason codes is provided below. An employee receiving no increase, or less than a 1% increase due to one of the reasons listed below must be assigned the corresponding code in budget construction. The use of these codes will **NOT** exclude an increase from the salary average increase calculation:

- MID** Employee received off-cycle, midyear increase during the current fiscal year resulting in no 7/1 increase or a reduced increase %.
- NEW** Academic, Exempt staff & non-union non-exempt new hire resulting in no 7/1 increase or a reduced increase %.
- PER** Less than satisfactory performance, which should be documented by a performance improvement plan or other corrective action in the current FY or within the previous 12 months, resulting in no or reduced increase %.
- TER** Employee will terminate or retire during the upcoming fiscal year and should not receive an increase.

The policy provides an exception for individuals **excluded** from the average for the following reasons **ONLY** (code every funding line for exclusion with the same reason code and calculated amount of the exclusion):

### **Excludable Reason Codes Applicable to Faculty:**

- EQU** Affirmative Action approved increases.
- INT** Employee salary increases mandated by the Department of Labor.
- MAR** Market adjustments for faculty that have fallen behind in base salary as compared to similar positions on campus and/or in the market. External market data must be provided. VPFAA will forward supporting documentation to the BL Finance Office.
- MYR** Written agreement completed prior to May 11 that includes a salary increase requirement for the upcoming fiscal year. Please provide a copy of the individual's agreement. VPFAA will forward to the BL Finance Office.
- NTN** Newly tenured faculty.
- PRO** Faculty receiving promotion in rank or a new Administrative Appointment.
- RET** Retention High Value – High Value increases to proactively reward high performing individuals in their current positions.
- This code should not be used if the increase has already been processed via a Mid-Year Pay Adjustment or when an employee has received a competing job offer.
  - The faculty position is eligible for a salary/wage increase up to an additional 8% (combining the RET percentage with the campus/RC salary policy will result in a higher percentage).
  - Requested increases should not create internal equity or compression issues.
  - Submit the increase request and supporting documentation for campus review by April 27 to VPFAA ([apps@iu.edu](mailto:apps@iu.edu)).

**NOTE on Academic Appointments:** Faculty with the exclusion code of NTN or PRO should receive the salary policy increase established for the campus, and the standard increase associated with the exclusion. The total amount will be entered in the request field and the exclusion amount entered in the reason code amount field.

Effective with the FY2025 budget construction process, all RCs will be required to submit a rating for each academic appointee based on a scale internal to the RC. Please also provide an explanation of the process used and how each level of the rating scale should be interpreted. Please submit ratings for all academic personnel and excludable increase requests in an Excel format to VPFAA ([apps@iu.edu](mailto:apps@iu.edu)).

### **Excludable Reason Codes Applicable to Staff:**

- EQU** Affirmative Action-approved increases.
- FYS** Fiscal year supplement is required for Non-Exempt staff above the maximum salary range. This reason code may also be used for exempt employees above the maximum of the salary range or other non-union employees who are receiving compensation well above their position requirements for the salary range. For exempt staff, please reach to IUHR ([hrcomp@iu.edu](mailto:hrcomp@iu.edu)) for instructions on processing the supplement. **Use object code 3100.**
- HLR** Staff position duties have substantially changed **within level** and the position now has a sustained increase in responsibility during the current fiscal year. In addition:
- This code should not be used if the increase was already processed via a Mid-year Pay Adjustment.
  - The staff position is eligible for a salary/wage increase up to an additional 8% (combining the HLR percentage with the campus/RC salary policy will result in a higher percentage).
  - Requested increases should not exceed the associated salary range maximum or create internal equity or compression issues.
  - Submit requested increase & supporting documents to IUHR ([hrcomp@iu.edu](mailto:hrcomp@iu.edu)) by April 27.

- INT** Employee salary increases mandated by the Department of Labor.
- MAR** Market adjustments for employees that have fallen behind in base salary as compared to similar positions on campus and/or in the market. External market data must be provided to and approved by IUHR Compensation. Submit the request and supporting documentation to IUHR ([hrcomp@iu.edu](mailto:hrcomp@iu.edu)) by April 27.
- MYR** Written agreements completed prior to May 11 that include a salary increase requirement for the upcoming fiscal year. Please provide a copy of the individual's agreement to IUHR ([hrcomp@iu.edu](mailto:hrcomp@iu.edu)).
- CAR** Staff either (a) progressed to a higher career level, or (b) promoted to a different position of a higher career level effective 7/1 of the upcoming fiscal year. Submit the request and supporting documentation to IUHR ([hrcomp@iu.edu](mailto:hrcomp@iu.edu)) by April 27.
- RNG** Employee's base pay increase to meet the minimum of the pay range for their position's classification.
- RET** Retention High Value – High Value increases to proactively reward high performing individuals in their current positions.
- This code should not be used if the increase was already processed via a Mid-year Pay Adjustment or when an employee has received a competing job offer.
  - The staff position is eligible for a salary/wage increase up to an additional 8% (combining the RET percentage with the campus/RC salary policy will result in a higher percentage).
  - Requested increases should not exceed the associated salary range maximum or create internal equity or compression issues.
  - Submit the increase request and supporting documentation to IUHR ([hrcomp@iu.edu](mailto:hrcomp@iu.edu)) by April 27.

#### Employees with Base Rates Less Than \$31,200

A full-time equivalent rate will be calculated for part-time appointed employees and their salaries will be pro rata.

#### Non-exempt Staff Represented by Unions

Non-exempt staff covered by a union (i.e., AFSCME Service, AFSCME Police, IATSE and CWA), the salary increase pool available for distribution shall be calculated based on the following:

- The salary increase pools for employees represented by unions will provide for an overall avg. of 3% in FY25.

Salary statistics by RC are calculated independently within three employee classifications: Academic (Object Code 2000), Exempt/Non-Exempt Staff (Object Code 2400 & 2480), and Non-Exempt Non-Union (Object Code 2500). Sharing of salary increase pools between employee classifications is not permitted.

The lack of a percentage maximum does not guarantee campus or university approval of proposed salary or wage increases. Units must be able to justify large increases, no increase, or salary and wage decreases for individual employees. All increases should be covered by existing unit budgets. Resulting salaries and wages should be commensurate with those of similar job ranking across the university. Provide justification for increases over 8%.

As always, please do not share salary and wage recommendations with employees prior to Trustee approval of the budget.

**All supporting documentation should be submitted by April 27, 2024.**

**UNN Reason Code**

During Budget Construction, the union salaries will be set to the salary policy of zero percent.

**Using Reason Codes in Budget Construction**

When coding an employee’s request line with a reason code, every funding line must contain the same reason code and the amount associated with the reason for that funding line.

**Other Compensation-Related Information**

**Budgeting C&G Accounts**

The Salary Policy applies to employees in ALL fund groups. Salary increases for those funded in whole or in part by C&G accounts will be given during budget construction, not on employee’s anniversary date.

**Budgeting 2480 & Non-Union 2500**

In budget construction these salaries will be set according to salary policy. The hourly rate is the basis for calculating increases for all employees that are paid bi-weekly. Bi-weekly employees should have the same hourly rate regardless of the number of account lines. Employees can have different hourly rates only if they are paid from more than one position number. Budget the FY25 request for union employees at their current rate in object code 2500. Then budget the funds needed to cover the 3% increase (and any additional funds needed) in 2504 Non-exempt salary reserve. Please direct questions to Henry Gabriel ([hgabriel@iu.edu](mailto:hgabriel@iu.edu)).

**Salary Reserves**

Salary reserves may be budgeted in one account at the RC level on **General Funds Only**. Other fund groups must be budgeted at the account level.

**Academic Salary Minima (One change in bold below.) [UPDATES TO COME]**

FT1/LT1	Full Professor/Librarian	\$64,191/10
FT2/LT2	Associate Professor/Librarian	\$52,500/10
FT3/LT3	Assistant Professor/Librarian	\$41,814/10
FLX	Instructor/Affiliate Librarian/Lecturer	\$38,876/10
RSP/R SX	Postdoc Fellow and Research Fellow	<b>\$45,000/12</b>
RSS/UAS	Research Associate and Academic Specialist	\$37,370/12

**NIH Salary Limitation** See: [Salary Cap Summary](#) and new [salary levels](#). Also: [IU ORA announcement](#)

Executive Level II 12-month	Effective January, 2024	\$221,900 (up from \$212,100)
Executive Level II 10-month	Effective January, 2024	\$166,425

**Strategic and Dual Career Hires**

Strategic	Object code <b>2003</b>	Sub object <b>STR</b>
Dual Career	Object code <b>2003</b>	Sub object <b>DCS</b>
Faculty 100	Object code <b>2003</b>	Sub object <b>100</b>

## SAA Stipends

10 months @ 50% FTE (20 hrs/wk)	\$23,000
There is no mandatory increase for SAAs in FY25	

## SAA/Postdoc/Fellowship Recipient Health Insurance

Fall 2024	\$1,852.05
Spring 2023	\$2,644.73 (2% increase)
<b>Total:</b>	<b>\$4,496.78</b>

For links under the [AFB Policy Index](#) or <https://www.budu.iu.edu/documentation/allfunds/policy>, Firefox is the preferred browser. If you experience an error, try [clearing your browser](#).

See [AFB Policy Index](#) for policies including:

- [Budgeting Limited Term Full Time Staff Appointments](#)
- [Budgeting Academic Leaves of Absence](#)
- [Budgeting Vacant Faculty Positions for Administrative Faculty](#)
- [Budgeting Salary Savings and Reserves](#)
- [Salary Exception Reason Code Amount](#)

## Employee Benefit Rates

Academic - Exempt	2000,2005,2008,2280,2288	40.38%
Academic - Summer	2010	30.37%
Academic - Overload/Supplement/Residents/Non-Students	2170,2200,2290 & 2300-2310	6.47%
Professional - Exempt & Non-exempt	2400,2405,2408,2480,2488	40.38%
Professional - Overload/Terminal Pay	2420,2428,2450	6.47%
Non-exempt - PERF & Retirement Savings Eligible	2500,2504	40.80%
Non-exempt - Terminal Pay	2550	16.90%
Temporary	3000,3150,3250	6.47%
Temporary	3050,3100,3200,3205,3210	16.90%
Supplemental	4580,4588	6.47%

**Note:** see [Employee Benefit Calculation Percentages](#) for additional detail.

## General Funds ONLY

### Income

**DO NOT CHANGE income on the GF. This includes transfers budgeted in Inc-Inc (9912/9915/9916/9918).**

Budgeted expense must balance with income reflected on your RC Allocation Sheet. Use of unanticipated and unbudgeted income received during the year will not be permitted without campus approval.

### Reserves

Provide details regarding reserves to [vpfinadm@indiana.edu](mailto:vpfinadm@indiana.edu) with your narrative. If negative reserves are budgeted, additional information will be requested regarding coverage by year-end FY25.

For links under the [AFB Policy Index](#) or <https://www.budu.iu.edu/documentation/allfunds/policy>, Firefox is the preferred browser. If you experience an error, try [clearing your browser](#).

### **All Funds Budgeting**

See [AFB Policy Index](#) for budgeting unallocated funds, operating surplus, non-recurring cash, transfers within RC, etc. Also includes compensation policies.

#### **Other**

[\*links will be updated when website is updated]

- \*[Auxiliary Accounts](#)
- \*[Matching Programs](#) Use obj cd **1179** & sub-obj **PRS** for the Bicentennial accts with Presidential matches.
- \*[Miscellaneous](#) **UPDATED:** \$153.98 (2% increase from FY24) per AFSCME employee
- [Budget Construction Non-Compensation Import Tool](#)
- [Budget Construction Reference Guide](#)
- [Budget Construction Import Guide](#)

#### **Checklist**

- Planned Use of Reserves and Budget Narrative  
Submit to [vpfinadm@indiana.edu](mailto:vpfinadm@indiana.edu) by **Tuesday, May 14, 2024**.
- Reports to Run before BC is pulled up to campus (Location – Budget Construction Selection Screen)
- [Power BI - BC Edit Checks - Comp and Non-Comp](#) Be sure to log in with your username with **@iu.edu**.

#### **Contacts**

- Budget Construction Access - Chris Puckett ([puckett@indiana.edu](mailto:puckett@indiana.edu))
- Salary-Related Questions and BC Reports - Henry Gabriel ([hgabriel@iu.edu](mailto:hgabriel@iu.edu))
- Matching Programs - Jill Gonyo ([jpiedmon@iu.edu](mailto:jpiedmon@iu.edu))
- All Other - Rhea Freeman ([freemanr@indiana.edu](mailto:freemanr@indiana.edu))