

**West Virginia State University Board of Governors
Meeting of June 23, 2011**

ACTION ITEM: Mercer Plan

ADMINISTRATIVE AREA: West Virginia State University

RECOMMENDED ACTION: The West Virginia State University Board of Governors adopt a timetable for implementation of the Mercer Plan for Classified Employees

PRESENTED BY: Mr. Robert Parker
Vice President for Finance

BACKGROUND:

West Virginia Code was amended during the last session of the West Virginia Legislature by the passage of Senate Bill 330 which amended West Virginia Code §18B-9-3 as follows.

§18B-9-3. Temporary higher education classified employee annual salary schedule.

- (a) There is hereby continued a temporary state annual salary schedule for classified employees consisting of a minimum annual salary for each pay grade in accordance with years of experience. Nothing in this article guarantees payment to a classified employee of the salary indicated on the schedule at the actual years of experience. The minimum salary herein indicated shall be prorated for classified employees working fewer than thirty-seven and one-half hours per week. For the purposes of this article and article nine-a, despite any differences in salaries that may occur, a classified employee is equitably compensated in relation to other classified employees in the same pay grade if the following conditions exist:
- (1) His or her annual salary is at least the minimum salary that was required for his or her pay grade and years of experience on July 1, 2001, on the salary schedule included in this section; and
 - (2) Progress is being made by the institution in meeting the salary goals set out in this article and article nine-a.
- (b) Nothing in this section requires an appropriation by the Legislature in excess of the legislative funding priorities as set forth in this

chapter.

[c] For purposes of this article, an organization has achieved full funding of the temporary salary schedule established by this section when it provides, in total, one hundred percent of the funds needed to meet the salary funding target as calculated in October, 2010, in a report, required by a prior enactment of this section, and presented to the Legislative Oversight Commission on Education Accountability. Until an organization has achieved full funding as described and has received certification to this effect from the commission or council, as appropriate, the following requirements apply:

- (1) Classified salary increases distributed within the organization shall be provided in accordance with the uniform classification and compensation system established by this article and rules of the commission and council and shall be applied toward achieving full funding of the temporary salary schedule; and
- (2) An organization may not provide discretionary salary increases, including merit or performance-based increases, to the president or chief executive officer of an organization or to any group or class of employees within the organization, other than classified employees, unless the organization has achieved full funding of the salary schedule established in this section or is making appropriate progress toward achieving full funding of the salary schedule.
 - (A) This prohibition does not apply to salary increases mandated by law or funded by the Legislature.
 - (B) For the purposes of subdivision (2) of this subsection, “appropriate progress” has the following meanings:
 - (i) For governing boards under the jurisdiction of the commission, appropriate progress means an organization has funded at least twenty-five percent of the amount needed to reach full funding of the salary schedule by July 1, 2012 as calculated pursuant to this subsection; has funded at least fifty percent of the calculated amount by July 1, 2013; has funded one hundred percent of the calculated amount by July 1, 2015; and
 - (ii) For governing boards under the jurisdiction of the council, appropriate progress means an organization has funded at least twenty-five percent of the amount needed to reach full funding of the salary schedule by July 1, 2013 as calculated pursuant to this subsection; has funded at least fifty percent of the calculated amount by July 1, 2014; has funded at least seventy-five percent of the calculated amount by July 1, 2015 and has funded one hundred percent of the calculated amount by July 1, 2016.

Fiscal Year 2012
 Estimated Cost of Raises for future years
 Salary Calculations
 WVSU

Classified Staff - WVSU

Fund	FTE	Base 7/1/2011	Fully Funded Year 6	Difference	25% FY12 Pool	25% FY13 Pool	25% FY14 Pool	25% FY15 Pool
0373	35.18	1,155,336	1,203,609	48,273				
4611 COF	45.50	1,762,046	1,837,958	75,912				
4611 Phy Fac	74.00	1,869,272	1,910,099	40,827				
4611 specials	6.85	234,304	252,020	17,716				
Other Specials	55.60	1,834,148	1,918,811	84,663				
Totals	217.13	6,855,106	7,122,497	267,391	66,848	66,848	66,848	66,848

Funds available for raise

	6,855,106	Total Base 7/1/11	6,855,106	Total Base 7/1/11
	7,122,497	Fully Funded Base	66,848	Plus Raise
		96% Current % towards Schedule	<u>6,921,954</u>	Grand Total Base July 2011
on the average			7,122,497	Fully Funded Base
			97%	% towards schedule after raise
			on the average	