

**USA Proposal #15**  
**Article 14**  
**Employee Compensation**

**Presented December 11, 2024**

**NEW SECTION 1: Salary Conversation to Seven Steps**

**SECTION 1: SALARY RATE INCREASES** As of July 1, 2024, the number of steps in the salary chart shall be reduced from fourteen (14) to seven (7) using the attached chart. The information about living wages may be noted in the chart but is not a part of the formal proposal.

As of July 1, 2024, all employees who are currently on Steps 1-6 would be placed on the new steps 1-6 (currently steps 9-14). Employees on Step 7 or above would be placed at the new Step 7, which shall be 3% higher than step 14 under the 2023-24 step and grade chart. Employees shall be paid retroactively from July 1, 2024, to reflect the salary of their new step.

**NEW SECTION 2 - REMOVE OLD SECTION 2 (KEEP 35 WEEK LANGUAGE)**

**2. Step Rate Increases, Reclassifications, Reallocations, and Promotions.**

The terms of the existing applicable language with regards to anniversaries, seniority, step rate increases, reallocations, reclassifications, and promotions shall be changed to be consistent with the following language:

A. An employee shall advance under the terms of this Agreement to the next higher step in their job group/grade until the maximum salary rate is reached, unless they are denied such step rate by the Chancellor. An employee shall progress from one step to the next higher rate on the anniversary of their original hire date or, for those employees employed prior to July 1, 2024, their most recent anniversary as of July 1, 2024.

In the event an employee is denied a step rate increase by the Chancellor, they shall be given a written statement of reasons therefore not later than twenty (20) days preceding the date when the increase would otherwise have taken effect. Time off the payroll is not creditable service for the purpose of step rate increases.

Employees with thirty-five (35) week positions shall progress from one step to the next step effective the first day of the payroll period immediately following their anniversary or promotion date as determined within this article if they have completed their previous thirty-five (35) weeks of responsibility during the year since their last step progression.

B. An employee who is promoted, reallocated, renegotiated, or reclassified to a higher grade, as defined in Article 17, shall move to their same step in the new classification/grade based on the

step-for-step principle. The employee's original anniversary date, or for those employees employed prior to July 1, 2024, their most recent anniversary as of July 1, 2024, shall not change. With the exception of a demotion or legitimate denial of a step rate increase or extended period off payroll, an employee's step shall reflect their years of service.

C. An employee who is voluntarily or involuntarily appointed to a position in a lower salary grade, shall be placed on the appropriate biweekly step rate in the lower salary grade that is closest to the employee's biweekly pay in their prior position/grade.

### **SECTION 3: Salary Rate Increases**

1. Effective January 1, 2025, employees will receive an increase of three percent (3%) increase in base salary rate.
2. Effective July 1, 2025, employees will receive a two percent (2%) increase in base salary rate.
3. Effective January 1, 2026, employees will receive a two percent (2%) increase in base salary rate.
4. Effective July 1, 2026, employees will receive a two percent (2%) increase in base salary rate.
5. Effective January 1, 2027, employees will receive a two percent (2%) increase in base salary rate.

#### **Rationale:**

No employee should have to work 14 years to be paid the full salary under their grade. After seven calendar years of successful service to the University, an employee should be regarded as worthy of being at full pay within their job title. Any employee who works full time for the University should receive a Living Wage. Increased initial wages will improve the University's ability to hire new employees. Decreasing the time to the top step will improve the retention of employees.

The employee's anniversary date and step should reflect the years of service to the university—not years of service to their department or title. Changing a member's step and step anniversary creates confusion for members, inequities between members with similar hire dates, and undermines the purpose of recognizing service to the university.