



Human Resources
MEMORANDUM

TO: ASPA Members, Deans, Assistant Deans, Department Heads and Exempt Staff

FROM: Cheryl Carver, Director

DATE: February 17, 2009

SUBJECT: Important Information Regarding 2007/08 ASPA Merit and Audit Processes

Background

In the spring of 2008, a revised merit program was developed to improve the process of allocating merit awards to employees in ASPA. A Joint Merit Committee, composed of representatives from ASPA and the Employer, met to discuss what employees and managers identified as the key components of a successful system. This included such things as full utilization of funds, awards amounts that are meaningful to the recipient, decentralized decision making processes, and equitable access to awards.

A revised merit program was developed where all merit money would be divided between all employees who were awarded merit. Based on the negotiated merit monies, a distribution was determined to ensure award amounts would consistently be between 2%-4% in each year. To ensure equitable access to awards, the distribution was the same for all units regardless of whether they are centrally funded, cost recovery, or soft funded.

To be eligible for a merit award, an employee must have been in an ASPA position from November 1 to April 30 for the year being reviewed.

Outcome of 2007/2008 Merit Process

The 2007/2008 ASPA merit process ran during the fall of 2008 with salary adjustments retroactive to July 1, 2008. The merit pool and distribution amounts were based on .35% of ASPA payroll being allocated to base salary merit awards and .45% of ASPA payroll

being allocated to lump sum bonus merit awards. This allowed for a distribution of up to 10% of eligible employees receiving base salary merit and up to 15% receiving a lump sum bonus.

Award amounts were calculated by dividing the negotiated merit monies by the combined salary of all employees awarded each type of merit. **Using this calculation, it was determined that the award amounts for 2007/2008 were 3.6% for base salary adjustments and 3.3% for lump sum bonuses.**

An example of how award amounts were determined:

ASPA payroll = \$58,000,000

Total Salary of the 90 employees awarded base salary merits = \$5,700,000

Pool for base salary merit = .35% x ASPA payroll = \$203,000

Individual award amounts = Pool / Total Salary = \$203,000 / \$5,700,000 = 3.56% award

In total, 10.7% of eligible employees received a base salary award and 14.3% received a lump sum bonus. The reason for the slight variation in the distribution is the fact that some smaller units received allocations that could be used for either a base salary or lump sum award since they were not large enough for a regular distribution.

Changes for 2008/2009 Merit Process

The major change for the 2008/2009 ASPA merit process is the increase in the merit pools that were negotiated in the most recent collective agreement. The pool for base salary merits was increased from .35% to 1.0% of ASPA payroll and the pool for lump sum bonus merits was increased from .45% to 1.0% of ASPA payroll.

Ensuring that the merit awards will still represent between 2%-4% of an employee's salary, the distribution will also increase allowing up to 30% of eligible employees to receive a base salary award and up to 30% to receive a lump sum bonus award. This means that up to 60% of eligible employees in ASPA could receive merit in future years. The exact merit award percentages for 2008/2009 will not be known until the total salary of those awarded can be determined.

Further information on eligible members and College/Unit allocations will be distributed in March. The deadline for merit decisions for this year will be May 15th, 2009.

Merit Audit Committee

As described in Article 9.3.3.4 of the ASPA collective agreement, a Merit Audit Committee, chaired by the Associate Vice-President, Human Resources and consisting of four representatives from ASPA and four from the University will be formed to assess the effectiveness of College/Unit merit processes and make recommendations for improvement to the program.

If a member or manager is dissatisfied with the outcomes of the merit process, either party may request a systematic review be conducted by the Merit Audit Committee. **The deadline to request a review is March 6th, 2009.**

If you wish to request a review of your College/Unit's process, please submit this request in writing, including details of the concern, to Human Resources by March 6th, 2009.

Please ensure this communication is forwarded on as appropriate.

If you have any questions regarding the changes to the ASPA merit process or the Merit Audit Committee please contact Steve Laycock at 966-1677 or steve.laycock@usask.ca.

Sincerely,

A handwritten signature in blue ink, appearing to be 'CC', written over a horizontal line.

Cheryl Carver, Director

CC/mdb