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## Policy Information

**Effective Date:**

June 1, 1993

**Policy Number:**

CSM 317.0

**Responsible Unit:**

Division of Human Resources

**Phone:**

(520) 621-3660

## Policy

The University encourages its management to organize, structure and administer each unit's operations with creativity, innovation and fiscally responsible planning, consistent with University and Arizona Board of Regents policies. To encourage efforts to attain and compensate improved productivity, recognize evolving skills, and promote employee effectiveness through reorganization, restructuring, consolidating and administering the department's operations, units shall be authorized to retain permanent salary savings from budgeted local and state general appropriation funded classified staff positions that accrue as a result of the unit's actions. Permanent salary savings as referred to in this policy are intended to be used to address classified staff compensation related problems.

### Definition

**Budgeted Local Funds:** Budgeted local funds, for purposes of this policy, *include* investment income, administrative service charges and budgeted indirect cost, and *exclude* other local funds, indirect costs returned to colleges as a portion of their grant activity under the 70%-30% distribution and Regents' Professor Awards.

### Permanent Salary Savings Actions

Permanent salary savings from a unit's budgeted local and state general appropriations funded classified staff positions may accrue to the unit from such actions as:

1. Filling a vacant position at a lower salary than the previous incumbent
2. Converting a vacant fiscal year position to flex year\*

3. Reducing a full-time equivalency
4. Reclassifying a vacant position to a classification of a lower pay grade
5. Eliminating a position as a result of reduced or changed work requirement and reorganizing or consolidating operations.

\*Salary savings from conversion of an occupied fiscal-year position to flex year cannot be used for salary-related purposes.

## **Permanent Salary Savings Uses**

Savings, accruing at any level, are intended to be used for:

1. Funding approved classified staff reclassification, career progression and equity adjustments.
2. Supplementing funding on a vacant classified staff line to achieve an appropriate salary consistent with University compensation policy in furtherance of internal equity for newly hired and promoted employees.
3. Meeting funding requirements which may be imposed on the University as a result of internal or external financial constraints.
4. Other purposes as may be approved by the Provost or Senior Vice President for Business Affairs.

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