



Employee Annual Cost of Living Pay Increase

Proposed Date: October 2023

Approved by: Administrative Council

Responsible Official: HR Coordinator

Policy Statement

1. When financially possible, at the discretion of the college, a new fiscal year pay increase that covers the social security administration's cost of living adjustment for staff employees should be considered by the Cabinet each year.
2. The new fiscal year increase will be effective July 1st. It may need to be prorated in the first July payroll, which typically includes a pay period with days from the last week of June.
 - a. Eligible employees must be active before 04/01 of the current year.
3. Prorated increases will apply to new employees with less than 1 year of service on July 1st of the current year. Each July begins the fiscal year. If the new employee's hire date was;
 - a. July – September previous year – 75% of the pay increase will apply
 - b. October – December previous year – 50% of the pay increase will apply
 - c. January – March current year – 25% of the pay increase will apply
 - d. April – June current year – New employees in this most recent quarter are not eligible for an increase since their pay has been recently negotiated.
4. The Payroll Specialist will create a cost of living pay increase spreadsheet with two tabs populated with data from a Paylocity report that includes current annual salaries for exempt staff and hourly base rates for non-exempt staff. Output in EXCEL 2007 format can be used as the base spreadsheet. Important: Keep the spreadsheet updated with any employee pay increases after the spreadsheet is created. Excel formulas should consistently be used to calculate pay increases. Formulas will be used to cross-check employee amounts for approvals.
 - a. Tab 1 – Employees receiving Normal Cost of Living Increases on July 1st
 - b. Tab 2 – New staff Employees receiving prorated and zero Cost of Living Increases
5. After the spreadsheet is completed in May, it should be sent to the HR Coordinator to cross check during the 1st week of June.
6. After the spreadsheet is approved by the HR Coordinator, it should be approved by the CFO, the Dean of the College, and the President. Each person should sign off on the spreadsheet as approval.
7. After the spreadsheet has all approvals, a letter or email should be sent from the CFO or Payroll Specialist to all Staff employees that explains the increase. The email should explain that a portion of the increase will be in the first July payroll (pay period dates 06/xx/xx – 07/xx/xx) and the full increase in the second July payroll (pay period 07/xx/xx – 07/xx/xx).
8. The new pay increases should be entered into the payroll for the payroll that includes the July 1st pay. The prorate setting in Paylocity will need to be used.
9. Returning faculty signing 9-month, 10-month, and 12-month contracts may receive an annual cost of living pay increase at the start of their new contract date.