MOU Between UNM and US-UNM

For FY19, USUNM Bargaining Unit employees:

- Will receive a 1% base salary increase if they meet the criteria below; and
- May receive an additional increase of up to 2% based on merit (up to a 3% total salary increase) consistent with the criteria listed below; and
- May also receive an additional 1%-2% increase (up to a 5% total salary increase) under the Mass Salary Update Out-of-Guidelines procedure under the conditions listed below.

Exceptions to the total 5% salary increase cap must be further justified and should be reserved for rare and extenuating circumstances. Such exceptions will require direct approval from the respective Executive Vice President (EVP). Designee signatures will not be accepted in these instances.

The effective date of the 1% and any additional increase, if applicable, will be reflected beginning July 1, 2018 which will be paid out on July 13, 2018, if this MOU is signed by May 25, 2018. If agreement is reached after May 25, 2018, the date of payment will be dependent on the date of the signature on the MOU and required processing time. Payments will not be adjusted upwards to make up for a delay in agreement between the parties.

Eligibility Requirements for the 1% Base Salary Increase

- Employees must have been hired prior to January 1, 2018, and completed their probationary period.
- Employees that have received a centrally recorded 2017 Performance Evaluation must have a successful rating listed on both the overall categories for job responsibilities and goals.

Non-probationary employees who have not received a 2017 performance evaluation by their management should be given a performance evaluation no later than May 25, 2018, if they are not on leave. These employees will then be provided with the 1% base increase if the employees have a successful rating listed on both the overall categories for job responsibilities and goals.

Individuals who have received a "not successful" on either of the overall categories for job responsibilities and/or goals will have until October 13, 2018 to show consistent improvement via a successfully rated mid-year performance evaluation, as noted above, to become eligible for the increase effective as of October 13, 2018. If so, the increase will be processed within 1-2 pay periods following October 13, 2018.

Other Provisions for the 1% Base Salary Increase

The employees who have not received a performance evaluation by May 25, 2018 will be provided with the 1% base increase.

Eligibility for extra 1-2% Merit Based Increase

- Employees must have received a centrally recorded 2017 Performance Evaluation and must have received a "successful" on both the overall categories for job responsibilities and
- In addition, the department must have provided sufficient justification for the merit increase and received approval by the respective EVP for their area.
- All merit increases are at the department's discretion and contingent on the availability of recurring departmental funds.

Mass Salary Update (MSU) Out-of-Guidelines (OOG)

In addition to the 3% increases outlined above, departments will be permitted to submit Mass Salary Update Out-of-Guidelines (MSU OOG) Exception Requests for FY19 on a very limited basis. The maximum additional salary increase using this option is 2% (up to 5% total increase). The eligibility requirements listed above for the other increases are applicable, as are the criteria listed below. Any MSU OOG increases are at the department's discretion and contingent on the availability of recurring departmental funds.

Criteria for MSU OOG Exception Requests

- MSU exception requests will only be considered on a very limited basis.
- Justification must be given for each request. Guidance will be set forth by each respective EVP on the types of justification that will be deemed appropriate and such exceptions will require direct approval from the respective EVP.
- In addition to the requirement that sufficient recurring funding be available, all guidelines set forth by respective funding agencies, if applicable, must be followed.
- Departments will focus the additional 2% increases on staff earning less than the midpoint of the range, when possible.
- Reasons for requesting an exception may include a reduction in staffing levels; concerns regarding equity, compression, and/or retention; a significant increase in the scope and/or volume of duties assigned; and/or other unusual circumstances.

mon 5/25/18

Dorothy T. Anderson

VP, Human Resources

President, USUNM