

## **Staff Position Budgeting Guidelines November 2022**

### **Guidelines for Staff Position Budgeting**

The Budget Office and Human Resources work in tandem to maintain the staff salary and wage budget. During the annual budget development period, the various academic and non-academic areas of the College work with their respective VPs to discuss additions, deletions or anticipated changes to their full-time equivalent positions (FTEs) and related costs of compensation. The majority of position requests will be submitted as part of the annual budget process in order to assure fairness and equity across campus departments (You can find more information about the annual budget cycle on the Budget Office [webpage](#)).

Decisions to include position requests in the proposed operating budget are based on several factors, including demonstrated need, fulfillment of Swarthmore's mission, regulatory and/or statutory requirements, competing priorities, and funding availability. All VPs must approve all new departmental position requests and position modifications in writing before forwarding to the Budget Office and Human Resources.

### **Annual Staff Budget Request Process**

The Budget Call letter issued in late fall invites departments to submit their personnel budget requests for the upcoming year. Once a VP gives their approval, the VP or the department proxy must contact Human Resources to receive access to the online position request form. The department manager will provide justification for the new position or position adjustment. The Budget Office will document the FTE and funding for the request. Human Resources (HR) will provide the compensation and benefits information. Requests are typically due by early January.

Once all submissions are received, the Budget Office and Human Resources compile a summary of requests for consideration to the VP for Human Resources and the VP for Finance and Administration. Discussions with the relevant VP are conducted on an as-needed basis during the winter and early spring, with recommendations prepared by the Budget Office and Human Resources to the President and President's staff for consideration. Final decisions to include position requests in the proposed operating budget are made by the President with consultation by the VP for Human Resources and the VP for Finance and Administration.

As part of the approval of the overall operating budget, the Board of Managers approves the aggregate amount of position requests, establishment of other salary pools described below, and the annual rate of increase for staff salaries and wages.

### **Turnover and Vacancy Assumptions**

In the course of a normal year, many staff choose to leave the College to pursue other opportunities or retire. When this happens, there is typically a period of time when a position remains vacant due to the timing of recruitments and related departmental restructurings. Although the specific vacancies cannot be anticipated as part of the annual budget development process, we have sufficient history of staff turnover to predict and budget for

salary and wage savings resulting from staff turnover and vacancy. In FY 2022-23, the turnover assumption is \$1.3 million, or 2.8% of the staff salary and wage budget.

### **Off-cycle Promotions, Market Adjustments, Retention Offers, Position Reclassifications, and Departmental Restructuring**

Each year, the College budgets a pool of central funding to account for compensation changes that occur outside of the annual budget cycle. In FY 2022-23, the total pool for such changes totals \$500K. This is the only central funding source for promotion and retention offers, position reclassifications, and department restructurings. Definitions of these actions can be found at <https://www.swarthmore.edu/human-resources/position-classifications-and-pay-grades>. Details on the budgetary review and approval process for these circumstances are described below:

- **Individual Promotions and Reclassifications:** In the course of the fiscal year, employees may be promoted and asked to take on new responsibilities at a higher level within their department. Such changes may result in increases in the individual's compensation. Human Resources will review all proposed changes to job duties and responsibilities, and after a review of compensation relative to similar positions, will communicate new salary or wage amounts to the area VP, the supervisor and the affected employee. Such increases are funded from the reclassification and retention pool.
- **Retention Offers:** Occasionally, staff receive offers from other institutions or entities. Given the disruptive nature of the potential turnover in key positions, VPs may request that Human Resources work with them to make a counter-offer to retain the employee. Such counter-offers are funded from the retention and reclassification pool.
- **Departmental Restructurings, Position Reclassifications and Market Adjustments:** We recognize that opportunities to restructure a department may arise during the year as the result of vacated positions or leadership transitions. This may include proposals to reclassify positions or groups of positions. Proposals to restructure departments should be submitted to the Budget Office and Human Resources as part of the annual staff budget request process. VPs are expected to work closely with Human Resources to determine the optimal structure for their organization and review and revise job descriptions as needed. Human Resources regularly reviews the compensation for individual positions and classes of positions, and as a result, makes recommendations for market adjustments.
- **Off-Cycle Salary or Wage Increases:** Restructuring or Reclassification reviews, following consultation with the VP for the affected area, may result in off-cycle salary or wage increases. Salary and/or wage adjustments are added to the department's budget base, and are funded from the reclassification and reorganization pool, subject to availability. Human Resources and the Budget Office can approve a reorganization request at any time during the fiscal year if the proposed restructuring does not increase the number of full-time equivalent (FTE) staff, is budget-neutral or will lead to savings in salaries and wages.

### **Off-cycle Requests for New Positions or Additional Hours**

As noted previously, VPs are asked to submit proposed changes to staffing as part of the annual budget submittal process. By considering staffing changes from all campus departments concurrently, we are better able to allocate human and financial resources fairly to campus departments and activities. However, we recognize that needs and position requirements may change during the course of the year, so VPs may request additional staffing increases outside of the regular budget cycle. Generally speaking, we expect that such requests should be for limited term positions, so permanent changes can be considered from a broader perspective during the annual budget process. The reclassification and retention pool is not available for off-cycle position requests. Funding for approved requests may come from restricted sources, reallocations of other permanent salary or wage budget lines, or from the general College contingency fund.

As part of the ad-hoc review and approval process for such requests, departments will be asked to provide information on facilities needs arising from the position, as well as the broader context for the proposed position and the other costs associated with the operational changes associated with the expansion of staffing. The documentation for justifying an off-cycle staff request must also include information about why the request must be filled before the next budget cycle. If staffing vacancies exist, a department or division may request to use an existing vacancy to fund a separate position and commit to not filling the vacancy for a time. The review process of the position is facilitated by the Budget Office . Approval must be granted first by the VP seeking the position, second by the VP for Finance and VP for Human Resources and lastly, in the case of a non-limited term position, by the President.

Departments may also find a need for additional hours for an existing part-time employee. VPs or their departmental proxy should provide the same information as if they are requesting a new position. Again, funding for approved requests may come from restricted sources, reallocations of other permanent salary or wage budget lines, or from the general College contingency fund.