

Policy Number: 702.3

Policy: Salary Salvage and Vacancy Savings

Effective Date: July 1, 1990

Revision Dates: December 3, 2015; January 9, 2014

Responsible Party: University Budget Director

PROCEDURE

- I. Contract Faculty salary salvage (General Fund only)
 - A. Permanent salary salvage may be used to establish the budgeted salary for a new faculty hire if the replacement salary is greater than the base budget salary line for the vacant position.
 - B. Permanent salary salvage may be used to fund mandatory increases of budgeted salary lines (e.g. unfunded salary increases, promotion, and terminal degree attainment).
 - C. Current year salary salvage may be used to employ part-time faculty for the number of credit hours that would have been assigned to the terminating employee or open position.
 - D. Current year salary salvage may be used to supplement the budget line for employer paid termination benefits.
 - E. Current year salary salvage may be used to fund corrections of budgeted salary lines.
 - F. Permanent or current year salary savings may be reallocated to other budget lines as designated by the Provost or Executive Budget Council.
 - G. Current year salary salvage may be used to fund university reserves for retirement, enrollment and scholarships in accordance with the Montana University System Board of Regents (BOR) policies 901.10, 901.13 and 901.15 and as designated by the Executive Budget Council.
- II. Classified, Professional and Administrative salary salvage (General Fund only)
 - A. Permanent salary salvage may be used to establish the budgeted salary for a new staff hire if the replacement salary is greater than the base budget salary line for the vacant position.
 - B. Permanent salary salvage may be used to fund longevity increases that occur during the fiscal year.
 - C. Permanent salary salvage may be used to fund mandatory increases of budgeted salary lines (e.g. unfunded salary increases and increases per the Montana University System Achievement Program).
 - D. Permanent or current year salary salvage may be reallocated to other budget lines as designated by the appropriate Vice Chancellor or the Executive Budget Council.
 - E. Current year salary salvage may be used to fund a reasonable overlapping training period for a new hire.
 - F. Current year salary salvage may be used to supplement the budgeted line for employer paid termination benefits.
 - G. Current year salary salvage may be used to fund temporary staffing up to the number of hours the position remains vacant through either

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1. Hiring temporary employees.
 2. Contracting services with an employment agency.
- H. Current year salary salvage may be used to fund corrections of budgeted salary lines.
- I. Current year salary salvage may be used to fund replacement staffing to cover an extended sick leave.
- J. Current year salary salvage may be used to fund university reserves for retirement, enrollment and scholarships in accordance with BOR policies and as designated by the Executive budget Council.
- III. Salary salvage occurring in budgets that are funded from one-time-only (OTO) appropriations will be reallocated within the OTO budget.

REFERENCES