



Policy Number: 702.3

Policy: Salary Salvage and Vacancy Savings

Effective Date: July 1, 1990

Revision Date: November 4, 2021

Responsible Party: Assistant Vice Chancellor of Finance

POLICY STATEMENT

Salary Salvage occurring in the General Fund budget is an institutional resource. Salary salvage will remain in departmental budgets; however, the use of salary salvage requires **approval by the Chancellor or appropriate Vice Chancellor and the Budget Office.**

Salary salvage is defined as the difference between the salary budgeted and the salary paid for each authorized position within the General Fund budget. Salary salvage includes vacancy savings which is defined as salary savings derived from budgeted positions that are vacant for a portion or the full fiscal year. Current year salary salvage accrues within a fiscal year. Permanent salary salvage occurs when the salary for a new hire is less than the budgeted salary for the vacant position.

AUTHORITY

MSU Billings Administration