



November 5, 2009

To: College and Division Administrators

Reference: FY2010 Pay Increases

Unlike many other states, Texas did not reduce appropriations to higher education in response to the nation's financial situation. However, the state's 2010/2011 biennial budget was balanced in part because of one-time funding and with hopeful projections for the state's financial picture. The fiscal year 2010 budget for the University of Houston was based on the state appropriations. The University developed a conservative budget for FY2010, and did not fund a merit salary increase pool for faculty or staff. This message was communicated by Provost Antel and EVP Carlucci in an email dated August 18th 2009.

Since the FY2010 budget was developed, we have seen four months of double digit decrease in sales tax revenue for the first time ever and unemployment in the Houston area has continued to grow. And we can expect to experience continuing budget restraints during this economically challenging time.

Therefore, the decision has been made to suspend all individual staff pay increases until it is determined that funding will again be available for faculty and staff merit pools. This hold on pay increases will impact both benefits and non-benefits eligible staff and will include career ladder promotions, reclassifications, and equity adjustments among others. The decision to suspend pay increases will be reevaluated in January, 2010.

We are committed to the administration of these fiscally responsible practices and hope that we will receive your cooperation in doing so.

If you have any questions or need additional clarification concerning this matter, please feel free to contact Sara Chelette, Compensation Manger, at extension 3-5769.

Sincerely,

Joan Nelson

Joan Nelson
Executive Director – Human Resources