

1. Delegation Of Authority And Decentralization Of Funding

Policy:

The Chancellor and Executive Vice Chancellor delegate accountability for management of funds allocated for salary actions for staff employees to principal officers. This policy includes funding for staff merits, six-month increases, reclassifications, non-base building award programs, equity increases, and above-step hires. Vice chancellors (i.e., principal officers) and academic Administrative Officers with decentralized funding and delegated authority are listed below. Refer to the appropriate section for a complete list of personnel actions and the delegated authority for each action (See sections entitled Chancellor/Executive Vice Chancellor Delegations of Authority, p. B2-1; Executive Vice Chancellor Delegations of Authority, p. B3-1; VC -- Business and Administrative Services Delegations of Authority, p. B4-1; and VC -- Student Affairs Delegations of Authority, p. B5-1. The Campus Delegations of Authority (Generic Chart) upon which all delegations are based can be found on p. B6-1.)

Delegation:

- Dean of Arts Division
- Dean of Social Sciences
- Dean of Humanities
- Dean of Natural Sciences
- Director of Lick Observatory
- Dean of University Extension
- Dean of Summer Session
- Campus Librarian
- Vice Chancellor for Student Affairs
- Vice Chancellor for Business and Administrative Services
- Chancellor and Executive Vice Chancellor

Vice chancellors and academic administrative officers are responsible for ensuring the delegations of authority for staff personnel actions and the management of funding for staff personnel actions adhere to the following principles and guidelines.

Guidelines:

1. Delegations of authority and decentralization of funding must go hand-in-hand to ensure that the officer or Unit Head who is delegated authority for approving staff personnel actions is also responsible for managing the resources allocated for that purpose.
2. An officer may request from the Executive Vice Chancellor approval to redelegate authority for some personnel actions (consistent with Guideline 1), however they cannot redelegate greater authority than they have. Requests to redelegate authority for staff actions will be submitted in writing to the Executive Vice Chancellor. If approved, copies will be distributed to the appropriate principal officer, the Office of Planning and Budget, and the Staff Human Resources Office.
3. An officer can decentralize funding for personnel actions (consistent with Guidelines 1 and 2), however they cannot decentralize more funding than they have.
4. Overdrafts which occur as a result of staff salary actions are the responsibility of the officer or Unit Head with delegated authority for managing those funds.

5. Turnover savings from staff positions in units reporting to the officers listed above will remain within the purview of that officer.
6. Each officer shall remain within the campus control figure for staff merits.
7. Funding allocated for staff salary actions may be carried forward at the end of each fiscal year.
8. Funding which is allocated for staff salary actions, but is not used for this purpose may be reallocated for other purposes.
9. Funding for reclassifications, equity increases, and above-step hires may be augmented by departmental funds.
10. The Staff Human Resources Office is responsible for monitoring staff actions approved by officers and Unit Heads to ensure decisions are made in accordance with appropriate policies and procedures and are consistent with the criteria set forth in this procedures manual. Further, the Staff Human Resources Office shall identify patterns of misunderstanding or misuse, provide the necessary education, and, as deemed appropriate, present any concerns to the respective principal officer .

Funding:

State and Registration-Fee Funded Areas:

Each officer's State or Registration Fee funding to support salary increases in their division will consist of (1) Merit Funding from central sources (subject to fund availability) and (2) Turnover savings. These funds will be budgeted in special holding accounts designated for this purpose and may be used to fund a wide range of salary actions. Departmental funding may also be used to fund costs resulting from personnel actions.

Deans and Vice Chancellors will receive an allocation from central sources for merit increases. The allocation will be prepared by the Office of Planning and Budget, based on the funding received/budgeted for these costs, and will be prorated on the basis of the merit eligibility roster.

Unit managers and principal officers with decentralized funding and delegated authority have discretion to make decisions regarding the personnel actions described in the Delegations of Authority document.

Self-Supporting and Other Non-State, and Non-Student Fee-Funded Areas:

Funding for salary actions in non-State and Registration Fee funded areas must be provided by the funding source that pays the employee's salary. The control figure for staff range adjustments and merit increases apply to all funding sources. Staff employees paid from non-State and Registration Fee funded areas are eligible for the same salary increases as State or Student Fee-funded employees. For self-supporting areas, these costs should be anticipated and included in the annual budget established for each area. Units may contact Staff Human Resources or Planning and Budget for information on the estimated control figure for merit programs or range adjustments, and for assistance in planning for these costs.

Costing Process:

This is the process whereby funds are allocated or withdrawn from general ledger accounts and the permanent budget based on the temporary and ongoing cost of approved salary actions. The current year cost of salary actions appear in the general ledger. The ongoing cost of salary actions appear in the permanent budget. This process involves "manual" and "automated" budget adjustments. Examples of salary changes which result in budget adjustments via the costing process include merit increases, reclassifications, and six-month increases.

Reports available to assist in tracking adjustments related to salary actions include: (a) The General Ledger, (b) The Distribution of Payroll Expense Report, (c) The Funded Staff Salaries Cost Report (PPP980), and (d) The Budget System Local (BSL)--for permanent entries only.

PAF actions which trigger automatic costing entries include:

- Merit Increase (Personnel Action Code 04)
- Six-Month Increase (Personnel Action Code 41)
- Upward Reclass (Personnel Action Code 38)
- Exceptional/Equity Increase (Personnel Code 42)

Payroll distributes the Payroll Costing (PPP980) report on a monthly basis, as actions occur.

In State and Registration Fee-Funded accounts, personnel action costs will appear as a debit to Sub 8 and a credit to Sub 1, of the same account. On the basis of the costing reports, funding will be transferred to the Sub 8 account for salary actions which have been approved for funding by the appropriate officer.

Personnel action costs in self-supporting accounts appear as a debit to Sub 2 and a credit to Sub 1. These costs should be covered by the funds budgeted for this purpose.