

<b>Policy Title:</b>	<b>Salary &amp; Benefits Financial Management Policy</b>
Policy Reference #	
Approved by:	Budget Committee
Effective Date:	May 1, 2008
Contact Department:	Finance Department

**PURPOSE AND SCOPE:**

Effective May 1, 2008, all Faculty and Administrative Units will have authority over all salary and benefit budgets supporting faculty and staff positions within their respective operating budgets.

**POLICY:**

1. Each Faculty and Administrative Unit will have spending authority over all salary and related specified benefits funds supporting each faculty and staff position within their respective operating budgets, subject to the following.
2. The current faculty and staff addition and replacement process will remain in effect and so each proposal for filling or creating a position must be approved through the Appointments Review Advisory Committee (ARAC) process.
3. Central will fund all contractual salary and benefits increases for filled positions included in a Faculty or Administrative Unit's budgeted complement.
4. Each position provided by Central will be funded at the amount determined from time to time, with benefits. When a position that has been provided by a central allocation is to be filled and the standard budget for the position is lower than the reasonably expected starting salary, subject to agreement between the budget manager and the relevant Vice-President, Central may fund the differential.
5. A Faculty or Administrative Unit may liquidate a position and use the resulting funds (salary and related specified benefits) for such purposes as the manager may wish, subject to any approval process that may be in place from time to time.
6. A Faculty or Administrative Unit that has the funds to do so may create a new position provided that the manager has all the funds necessary to fund the salary and actual benefits relating to the position.
7. The Faculty or Administrative Unit will be responsible for all costs related to the hiring of the position, *i.e.*, start up grants, equipment requirements. Recruitment costs, *i.e.*, advertising, will continue to be the responsibility of Central.

8. The Faculty or Administrative Unit will be responsible for all employment costs for budgeted positions, *i.e.*, sabbatical leaves, retraining leaves, leaves of absences without salary, parental leaves, compassionate leaves *etc.*
9. Exceptions to this policy must be approved by Budget Committee or in cases where the effect would be minor, the relevant Vice-President as the applicable policy may provide.