

**BOARD OF TRUSTEES
UNIVERSITY OF THE DISTRICT OF COLUMBIA**

UDC Resolution No. 2009-32

SUBJECT: Reclassification of Balance Sheet Items Related to Compensation

WHEREAS, the Board of Trustees has authority under D.C. Official Code §§ 38-1202.01, 38-1202.06 (2001 ed.) to govern the affairs of the University; and authority under D.C. Official Code § 1-608.01a (2001 ed.) to determine salary and compensation for employees in the Educational Service; and

WHEREAS, in Fiscal Year 2007, the University made balance sheet accruals for potential cost-of-living adjustments (COLAs) at a rate of 4% for Fiscal Years 2006 – 2008 for non-union employees; and

WHEREAS, these balance sheet accruals were never presented to the Board and accordingly implementation of the COLAs was never authorized, resulting in a current accrual on the University's balance sheet of approximately \$2,756,458.62; and

WHEREAS, University management proposes that these funds be reclassified to be reserved for one-time merit-based compensation, rather than increases to base salaries, and that any payments from these be in line with new compensation programs currently being developed for management and staff; and

THEREFORE, BE IT RESOLVED that the administration is hereby authorized to reclassify the balance sheet accrual referenced herein for the implementation of a one-time merit-based compensation program in accordance with applicable laws and regulations relating to compensation and the provision of merit pay; and

BE IT FURTHER RESOLVED that the administration shall provide a plan for the implementation of the merit pay program provided for herein to the Board for its approval.

Submitted by Budget & Finance Committee

October 14, 2009

Approved by the Board of Trustees

October 28, 2009



Emily Durso
Chairperson of the Board