A. Background and purpose

1. Each year, as provided in Policy 1.1, Conditions for Cooperation Between Employee Organizations and the Administration of Indiana University, the university administration and CWA Local 4730 negotiate the allocation of budgeted wage increase funds to Support Staff.

B. Plan summary

1. The Wage Progression Plan will consist of a cost-of-living component based on the CPI. It is possible that all the funding might be used in this first step, which is an across-the-board increase. If there are funds remaining, the university and CWA will negotiate its distribution.

C. How the plan works

1. The cost-of-living component provides a uniform percentage increase to all base salaries. It recognizes that inflation in the general economy affects the living standards of everyone. The calculation of this component uses the National Consumer Price Index (CPI) for All Urban Consumers. In order to avoid abnormal values that may occur in a given month, the calculation averages the CPI monthly values for twelve months (February through January). It then divides the most recent twelve-month average by the preceding twelve-month average.

2. If all the available funding is not used in the first step, the university and CWA will negotiate the distribution of the remaining funds.

   a. Should the university and CWA not agree on the distribution of remaining funds, these funds will be distributed on an across-the-board basis.

3. If, upon final calculation of an employee's increase, it is determined that the employee's salary would surpass the maximum of the range, then a lump-sum payment is made. The lump-sum payment is for the amount of increase that would cause the employee's salary to exceed the maximum for the range. This is
consistent with the policy **Salary Decisions for Individual Employees**; meanwhile, it preserves each employee's participation in the wage progression plan.