
Subject: Management of Internal Position Allocations

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1. Purpose

The Commonwealth has established an authorized position level, generally known as the Maximum Employment Level (MEL), for the university that establishes a ceiling for the number of positions that may be filled. In the university's decentralized environment, managers of departments and other units have been delegated significant responsibilities for the proper management of resources. This policy is a statement of the responsibility of all university managers to ensure compliance with the university's internal position allocation.

2. Policy

The President has charged the University’s Chief Financial Officer with the responsibility of assuring that the university complies with the legal restrictions imposed by the General Assembly in the MEL. To ensure compliance, the university will maintain an internal allocation of positions for both the University Division (Agency 208) and the Cooperative Extension/Agricultural Experiment Station (Agency 229). This allocation will be based on the MEL, and will be developed by the Office of Budget and Financial Planning (Budget Office) and approved by the Chief Financial Officer in consultation with the Senior Vice President and Provost. The Chief Financial Officer has assigned the Budget Office and the Department of Human Resources to maintain the internal processes and systems necessary to ensure compliance with the MEL. Deans, Vice Presidents, Directors and Department Heads are responsible and accountable for compliance with the university's internal position allocations and the internal processes for position allocation management established by the Budget Office and Human Resources.

2.1 Responsibilities

2.1.1 The University's Chief Financial Officer and the Senior Vice President and Provost

The Chief Financial Officer, through the review and approval of the annual internal budget issued by July 1 of each year, is responsible for the initial allocation of positions to all areas of the university.

During the course of the year, the Chief Financial Officer and the Senior Vice President and Provost are responsible for: distributing position allocations; monitoring allocated/filled levels in their respective areas to assure that filled positions for the executive area as a whole do not exceed allocations; overseeing each senior management area to assure that filled positions do not exceed allocations; taking corrective actions as needed; and notifying Human Resources of needed adjustments in position allocations.

2.1.2 Senior Management

Deans and vice presidents are responsible for: distributing position allocations; monitoring allocated/filled levels in their respective areas to assure that filled positions do not exceed allocations for the senior management area as a whole; overseeing all departments to assure that filled positions within a department do not exceed allocations on an on-going basis; taking corrective actions as needed; and notifying Human Resources of needed adjustments in allocations.

2.1.3 Department Management

Department heads are responsible for: monitoring allocated/filled levels to assure that allocations are not exceeded on an on-going basis; reviewing allocations, funding sufficiency and funding appropriateness prior to initiating personnel actions; informing their dean or vice president of requested changes in funding and position allocations; and submitting appropriate personnel forms to establish, fill, or abolish positions. All positions must be classified in accordance with state and university policies.

2.1.4 Human Resources

Human Resources is responsible for: maintaining the position allocation management module of the Human Resource Information System (HRIS); recording authorized position allocations; tracking the reallocation of position allocations as instructed by the appropriate authority; monitoring allocated and filled FTE counts; providing reports to operating managers throughout the university; and investigating variances with the appropriate senior management area or department fiscal officers when observed. In addition, Human Resources will work with operating units to resolve operational issues and differences in HRIS and operating unit records. Human Resources will not approve any personnel action that will cause filled positions within a department or senior management area to exceed the position allocation for that department on an on-going basis. Human Resources is authorized to approve temporary overfills, such as those necessary to allow for an approved training overlap.

2.1.5 Budget Office

The Budget Office is responsible for: reviewing and recommending position allocations to the Chief Financial Officer and the Senior Vice President and Provost; providing allocation data to Human Resources after approval by executive management; monitoring maximum employment levels at the university level; and providing reports to managers and the Department of Planning and Budget. The Budget Office will also work with the Department of Planning and Budget to obtain needed adjustments in MEL levels through the biennial budget submission and amendments and on an administrative basis as needed during the fiscal year.

In addition, the Budget Office will periodically review the allocation of positions to specific areas to ensure the effective allocation and use of resources. Based on this review, the Budget Office will make recommendations to the Chief Financial Officer, the Senior Vice President and Provost, and other senior managers as appropriate.

2.2 Special Actions to Remain within the MEL

With the approval of the Chief Financial Officer, the Budget Office may internally distribute Educational and General (E&G) funded position allocations in excess of the MEL based on an anticipated turnover and vacancy rate. This is done to effectively use limited university position resources. Because internal allocations can exceed the university's MEL, it may at times become necessary to implement a hiring prioritization process to ensure that the MEL is not exceeded.

If the number of filled positions in the E&G programs of the university division come within one percent of the MEL for positions limited by the Manpower Control Act, the Budget Office and Human Resources shall implement a central management process for personnel appointments until vacancies are again greater than one percent of the MEL. During any period when this process is in place, the Chief Financial Officer shall, in consultation with the Senior Vice President and Provost, be responsible for resolving any staffing priorities that cross lines of management responsibility and for establishing priorities for the use of available positions allocations during this period.

3. Procedures

3.1 Position Allocations

Position allocations will be made as a part of the university's normal budget process, published by the Budget Office, and recorded by Human Resources in the Human Resource Information System (HRIS). Consistent with the university budget process, the university's total position allocation may be increased only by the Budget with proper authorization from the Chief Financial Officer.

The university will maintain internal position allocations for both agencies 208 and 229 in the following programs at the department level:

- **Educational and General (E&G) Program**
- **Auxiliary Enterprise Program**
- **Unique Military Activities Program**

Due to the variable nature of externally funded programs and flexibility within the MEL, the university will not maintain internal position allocations at the departmental level for the direct cost of programs in the following areas:

- **Sponsored Programs** (including positions funded from overhead funds)
- **Continuing Education Programs** (Flexibility is provided to allow the expansion of externally funded programs. However, a position allocation at the department level will be maintained for the administrative and support activities.)

3.2 Transfers of Position Allocations

Since the programs in which position allocations are maintained are separate State appropriations, allocations may not be transferred between these programs or between agencies 208 and 229. Within this provision, position allocations may be transferred within a senior management area with the authorization of the appropriate dean, vice president, vice provost, or fiscal officer and between senior management areas by executive management.

Human Resources will maintain an internal record of position allocation transfers. The request for the transfer of a position allocation must be communicated to Human Resources and recorded in the HRIS before initiating other personnel actions related to filling the position. Transfers may be temporary or permanent. Requests for transfers

that are temporary will include a beginning and end date for the transfer action. Upon the end date of a temporary transfer, Human Resources will notify the affected management areas and return the position allocation to the department from which it was transferred. Managers are responsible for informing Human Resources if they wish to extend the end date of a transfer action.

3.3 Categories of Internal Position Allocations

The university will maintain the following categories of internal position allocations:

- Teaching and Research Faculty (T&R)
- Graduate Teaching Assistants (GTA)
- Administrative and Professional Faculty (A/P)
- Classified Staff

Position allocations in these categories are made as a part of the university's normal budget process. Adjustments of position allocations across categories are generally to be made only within the normal budget process. For example, a department may not unilaterally increase its A/P Faculty position allocation by decreasing its T&R Faculty position allocation. However, exchanges of position allocations of different types between departments or between senior management areas are permitted. For example Department A may transfer a T&R Faculty position allocation to Department B in exchange for an A/P Faculty position allocation from Department B. Such trades have the effect of reducing the allocation for one category and increasing another within the affected departments or senior management levels. The exchange of position allocations must be communicated to Human Resources and recorded in HRIS as described in Section 3.2 of this policy.

Administrative adjustments that increase or decrease the total internal allocation of a particular program area may be made outside of the normal budget process only with the recommendation of the Budget Office and approval of the Chief Financial Officer and the Senior Vice President and Provost.

All positions must be correctly classified in accordance with state and university policies. Accordingly, it is not expected that Teaching and Research Faculty positions will normally be found in administrative departments since their duties are predominately instructional or research.

3.4 Compliance with Internal Allocations

Each vice president, college dean, and department head is responsible for managing employment levels within the following categories:

- **Total Academic** - The position allocations made for Teaching and Research Faculty (T&R) and Graduate Teaching Assistants (GTA) will be summed to create the Total Academic allocation. The filled count in this category includes all filled full-time salaried T&R faculty, full-time and part-time adjunct teaching and research faculty (wage P-14), Graduate Teaching Assistant (GTA) positions, and summer school faculty. In those instances where Graduate Research Assistants (GRAs) and Research Associates are properly classified and funded from E&G sources rather than sponsored program sources, those positions will also be included in the filled count for Total Academic positions in E&G programs. The conversion ratio of graduate teaching and research assistants is four GTA/GRAs to one TR Faculty FTE.
- **Administrative and Professional (A/P) Faculty** - The filled count in this category includes all filled salaried A/P Faculty positions. A/P Faculty hired on a wage P-14 are not included in the filled count for this category because they do not meet the state definition of adjunct faculty.
- **Classified Staff** - The filled count in this category includes all filled classified staff positions.

The university's official record of position allocations and filled FTE will be provided by the HRIS.

The calculation of filled FTE will include regular, restricted, and temporary positions. In addition, the calculation of filled FTE includes the paid portion of employees on paid leave such as sick leave, educational leave, and research leave. Both classified and faculty academic year (9 month) positions are counted as a full FTE. When Academic Year Faculty are also teaching summer school classes, they will be counted as both a filled T&R faculty position allocation and a filled summer school faculty position allocation. All positions charged to E&G cost sharing are counted toward the E&G filled count. Funding changes may affect the filled FTE counted toward E&G allocations. For example, changing a position from sponsored program funding to E&G funding will increase the E&G filled FTE count.

3.5 Exclusions

- **Wage Positions:** Position allocations are not required to hire classified-wage (including 1500 hour and emergency hires) and student-wage employees; however, wage headcount and filled FTE are reported monthly to the state Department of Human Resources Management.
- **Graduate Assistants:** The university category of Graduate Assistants (GAs) is coded to Student Wages (account 1144); therefore position allocations are not required to hire GAs. However, the hiring of GAs is limited by the availability of funding for the payment of GA tuition, which must come from scholarship, overhead, sponsored, self-generated auxiliary enterprise resources and private funds.

3.6 Statement of Responsibility for Maintaining Available Position Allocations and Funding for Employees on Temporary Funding Shifts

As noted in Section 3.1, Position Allocations, internal position allocations are made separately for each major program area, (i.e., E&G, Auxiliary Enterprise, UMA) and are not made for Sponsored Programs. To pursue research opportunities and other program goals, managers may periodically change employee funding between the major programs in which internal position allocations are maintained and sponsored programs. These changes will sometimes shift individual employees from permanent funding sources such as state E&G appropriations to temporary funding sources such as a sponsored research grant. In such cases, the university often has a responsibility to leave an internal position allocation and permanent funding source available for these employees to return to when the temporary funding source ends. For example, a tenured faculty member, temporarily funded by a sponsored research grant will need an internal E&G position allocation available to return to regular E&G funding at the completion of the grant funded activity. Institutional departments will generally fill behind such changes with restricted or adjunct positions and thereby reserve the permanent position allocation and funding for the returning employee. It is the responsibility of vice presidents, deans and other managers to maintain their available position allocations in a manner that ensures that adequate position allocations and funding are available to accommodate employees returning to permanent funding sources from temporary funding sources.

4. Definitions

Executive Management: In this policy the term executive management refers to the Chief Financial Officer and the Senior Vice President and Provost.

Internal Position Allocation: Defines the maximum number of positions that can be filled for an area. This plan distributes the Commonwealth's MEL within the university.

Managers: In this policy the term manager includes deans, vice presidents, directors and department heads.

Maximum Employment Level (MEL): The maximum number of full-time equivalent (FTE) employees assigned to an agency in the current Appropriation Act of the Commonwealth. (authorized position level).

5. References

Manpower Control Program, Section 4-7.01, Appropriation Act of the Commonwealth

Consolidated Salary Authorization for Faculty Positions in Institutions of Higher Education - source of definitions and state classifications of faculty positions.

6. Approval and Revisions

Approved July 26, 1999, by Executive Vice President, Minnis E. Ridenour.

- Revision 1

Minor wording changes due to administrative title changes.

Approved October 25, 2001 by Vice President for Budget and Financial Management, M. Dwight Shelton, Jr.

- Revision 2

April 1, 2008: Updates to position titles and/or responsibilities due to university reorganization.