

On April 24, 2023 the UT System office communicated the Tennessee General Assembly's approval of the FY2024 budget and impact on the University of Tennessee. Information below provides greater clarity regarding salary pool increases.

Salary Pool Increase. The budget includes a 5% salary pool for state employees, as well as investments in employee health insurance and 401K contributions.

The 5% salary pool will provide us with sufficient funding to provide a 4% market-merit increase to all eligible regular faculty and staff, increase minimum wage to \$15 per hour, and continue addressing wage compression issues. Eligibility for the 4% increase requires a record of satisfactory work performance without being under active discipline and having been employed as of June 30, 2023. Additionally, this budget will fund the standard faculty promotions and rollover plan. Information about minimum wage and wage compression was provided during the 2023 Budget Town Hall meeting on May 8, 2023. Please visit the [FY2024 Budget \(2023-2024\)](#) webpage for Town Hall presentation slides or to view a recording of the town hall meeting.

As outlined during the town hall meeting, the plan for addressing the most immediate staff wage compression needs in FY24 includes establishing new entry-level salary rates for positions allocated to Market Ranges 1-9. All staff currently compensated below the established entry-level rate will be raised to the new salary point. The 4% market-merit adjustments will then be applied to the new compression structure rates. Compression adjustments and market-merit increases will be effective July 1 or August 1 for flex-year staff positions.

| FY24 Compression Plan Structure | | |
|--|-----------------------|-------------------|
| Range | Entry-level Hrly Rate | Annualized Salary |
| MR1 | \$ 15.00 | \$ 31,200.00 |
| MR2 | \$ 15.75 | \$ 32,760.00 |
| MR3 | \$ 16.54 | \$ 34,403.20 |
| MR4 | \$ 17.37 | \$ 36,129.60 |
| MR5 | \$ 18.24 | \$ 37,939.20 |
| MR6 | \$ 19.15 | \$ 39,832.00 |
| MR7 | \$ 20.11 | \$ 41,828.80 |
| MR8 | \$ 21.12 | \$ 43,929.60 |
| MR9 | \$ 22.18 | \$ 46,134.40 |
| MR1-9 includes approximately 572 Employees / 67% of Staff Population | | |