

July 13, 2017

TO: Faculty and Eligible Non-Faculty Academic Appointees

FROM: Ameae Walker, Vice Provost for Academic Personnel

RE: Salary Program for Non-Represented Faculty and Eligible (non-represented) Non-Faculty Academic Appointees Effective July 1, 2017

As announced by Chancellor Wilcox, UC has formally approved implementation of the ~1.5% + 1.5% (discretionary) salary program. All non-represented faculty and eligible non-faculty academic appointees will receive a ~1.5% general salary increase effective July 1, 2017. The Academic Salary Scales have been smoothed (regularizes the jump between steps) and adjusted to reflect the ~1.5% increment. All faculty will receive 1.5%, but some may receive a little more due to the smoothing process. The New Salary Scales and a letter from UC President Napolitano regarding the 2017-2018 salary program are available on the Office of the President's website at:

<http://www.ucop.edu/academic-personnel-programs/compensation/2017-18-academic-salary-scales.html>.

General Increase (non-discretionary)

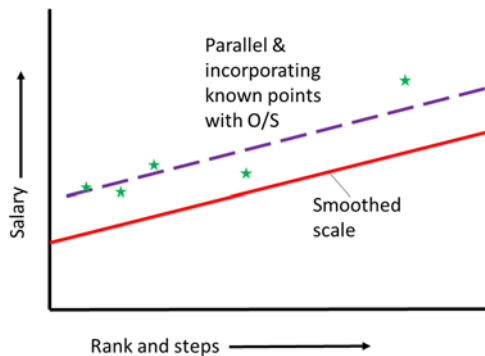
- Non-represented faculty and non-represented non-faculty academic appointees are eligible for the increase.
- The increase will be reflected on the August 1 paycheck.
- Those hired before 6/30/2016 will receive a 1.5% increase to their base and off-scale salary components (as applicable).
- Those hired 6/30/16 and later will receive a 1.5% increase to their base salary component, but not their off-scale salary component.
- Above scale faculty will receive the 1.5% increase on their total annual salary.
- In cases of approved Merit and Promotion actions effective 7/1/2017, the merit or promotion will be applied before the 1.5% general salary increase and any additional discretionary increase.
- Health Sciences Ladder Rank Faculty (SOM) will receive the general salary increase on their X, X' and off-scale salary components (this does not include any Y component).
- The academic and administrative salary will be adjusted 1.5% for faculty who hold a full time administrative appointment (non-SMG).
- Faculty who hold a SMG administrative appointment will receive the increase on their underlying Faculty appointment.

Additional Discretionary Increase

CAMPUS CONSENSUS: We will use 100% of the discretionary pool towards equity (including inversion and compression). Rank and step are achieved through the merit and promotion process, but because market forces have raised the salaries of new recruits, there are inequities at all levels. In addition, because new hires are primarily at the Assistant professor level, there has been compression and even inversion of salaries of longer-serving faculty. Also, because of recent market forces, there may be greater inequities in particular departments/discipline areas that need to be addressed. Deans may set aside up to 20% of the discretionary pool specifically to address needed adjustments of this type. However, the rationale for choice of any such areas of need must be clearly stated and shared in the report to the Academic Personnel Office that will then be shared with Office of the President and the Senate. Whether or not deans and other faculty administrators should be included, and at what level, will be determined by the Provost.

Equity: By calculating the mean for rank and step and raising those below the mean closer to the mean should, within available funds, reduce individual inequities. As an added benefit, when a new hire is made, this raises the mean for the next cycle and so all benefit and come closer to “market”.

Projections using some data points that run parallel to the smoothed scales will produce a salary to aim for (i.e. within available funds) that will reduce compression and inversion (see graphic below).



The distribution criteria must be explained, transparent, and be a part of the report to Academic Personnel Office that will then be shared with the Senate.

Eligibility in all categories

- 1) To be eligible for discretionary funds, a faculty member must have had a positive on-time personnel action (merit or promotion) in their last cycle (or in the last 4 years if in a book or creative art project discipline). If and only if a faculty member is at a barrier step (Professor step V or step IX) will a positive quinquennial (in the last 5 years) be counted as a positive personnel action.
- 2) Since recent hires have only just negotiated their salary, they will not be eligible for discretionary increases. This applies to all those hired on or after 6/30/2016.
- 3) Those receiving a retention package on or after 7/1/2016 will also be ineligible.

Academic Appointees receiving an additional discretionary increase will receive a separate communication regarding it. Eligible Faculty and non-faculty Academics will see the **discretionary** increase, if any, reflected on their August, September or October paycheck, dependent on the Dean's timing in allocating the discretionary increases.

Special cases:

- HSCP (SOM) Ladder Rank Faculty: Any discretionary increase will be added to the X+X' portion of the salary as an O/S component. If the Y component is self-generated through grants, it will remain intact.
- HSCP (SOM) Non Ladder Faculty will have discretionary increases added to the X+X' portion of their compensation as an offscale, with compensatory decrease in the Y component. While not actually increasing take home pay, this increases the portion of compensation used for calculation of retirement benefits

Each college/school is responsible for implementation of the discretionary allotment based on the campus consensus. If you have specific questions about the additional increase, please contact your College/School Dean's Office.

The Faculty Salary Program guidelines from The Office of the President can be found at:

<http://www.ucop.edu/academic-personnel-programs/files/1718/1718-issuance-cvr-ltr.pdf>

All other questions regarding this salary program can be sent to the Academic Personnel Office at apomail@ucr.edu.

ADDENDUM: Reference materials regarding methodology and mechanism for recording 2017-2018 discretionary increases.

The following guidelines provide additional information regarding implementation of the discretionary increase.

Mechanism

The Academic Personnel Office works with the Central Payroll office each year to implement the salary program/range adjustment for Academics. The annual process **requires** central updates to the Payroll system to adjust salaries for all eligible academic titles. The adjusted on-scale salaries (this year including the smoothing) are provided by Office of the President, UCR payroll then will add any O/S amounts and will calculate according to known merit/promotion actions. The discretionary increase amounts and associated criteria must be provided to the Academic Personnel Office according to the schedule for updates (see schedule at the end).

To facilitate collection of the data re discretionary increases, Academic Personnel will distribute an Excel workbook to colleges/schools. The workbook will contain two templates.

1. The first template will be populated with all ladder faculty within a college/school and include their on-scale, off-scale, above-scale amounts (faculty with approved advancements effective 7/1/17 will be included with their new rank and/or step and on-scale, off-scale and above-scale amounts). The spreadsheet will contain the new smoothed scale with the associated 1.5% increase. Colleges/Schools should provide the discretionary amounts in the **two** columns provided (columns are labeled Equity or Special equity, the latter referring to particular disciplines/sub-disciplines in need of particular attention to which the deans may allocate up to 20% of the available discretionary funds).
2. The second template should be populated by the Colleges/Schools with non-ladder faculty and other academic employees who are to receive discretionary increases over and above the smoothed scales issued by UCOP. The discretionary amount/s should be entered in the appropriate columns in the spreadsheet. **Please do not populate this template with names of individuals who will not receive a discretionary increase.**

The workbook must be returned to the Academic Personnel Office by 6/29/2017 in order to implement the range adjustment in the payroll system with increases available on the August 1, 2017 paycheck.

HSCP Ladder Rank Faculty (SOM).

Any discretionary increase should be added to the X+X' portion of the salary as an O/S component. If the Y component is self-generated through grants, it will remain intact.

Other HSCP Faculty

Any discretionary increase should be added to the X+X' portion of their compensation, with compensatory decrease in the Y component. While not actually increasing take home pay, this increases the portion of compensation used for calculation of retirement benefits.

All Other Non-represented Academic appointees

- 1) The smoothed scales with an ~1.5% increase will be provided by UCOP.
- 2) To be eligible for discretionary funds, an academic employee must have had a positive on-time personnel action in their last review cycle.
- 3) Since new hires have only just negotiated their salary, they will not be eligible for discretionary increases. This applies to all those hired on or after 6/30/2016.
- 4) Those receiving a retention package on or after 7/1/2016 will also be ineligible.
- 5) The discretionary pool must be used in accordance with the guidelines above. These funds should be used to raise the salaries of eligible faculty and other non-represented academic employees who are paid below the mean for rank and step. The distribution criteria must be transparent and provided with the report. Each Dean should complete the spreadsheet showing the discretionary increase/s awarded in either a general equity category or the 20% special equity category. This spreadsheet must be returned to Academic Personnel when complete.

FACULTY & OTHER ACADEMIC PERSONNEL SALARY PROGRAM INCREASE PROCESS SCHEDULE

| DATE | ACTION |
|-----------------------|--|
| 6/19/2017 | Spreadsheets provided by APO to Colleges/Schools and campus guidelines distributed to faculty and other academic personnel by APO. |
| 6/29/2017 | Spreadsheets provided to APO by the Colleges/Schools and includes all discretionary increases for Unit's ladder rank faculty and non-ladder academic personnel receiving a discretionary increase. A copy of the distribution criteria should be provided to Academic Personnel. |
| 7/3/2017-7/11/2017 | APO works with Central Payroll office and colleges/schools to complete salary program increase process. |
| 7/12/2017 - 7/14/2017 | Central payroll updates offscapes and discretionary increases provided to APO office. Please note that some Colleges/Schools may elect to allocate discretionary increases once all advancement reviews are completed. In those case, the discretionary increase will be reflected on a paycheck subsequent to August 1. |
| 7/18/2017 | Payroll data sent to UCOP |
| 8/1/2017 | 1.5% salary increase and most* discretionary increases reflected on paycheck. <i>*Please note that some discretionary increases may be reflected on subsequent paychecks per each Dean's allocation timeline.</i> |