

Attachment I

POLICY GUIDELINES FOR FISCAL YEAR 2018 (FY18) SALARY INCREASES EFFECTIVE SEPTEMBER 1, 2017

This document provides policy guidelines and instructions for FY18 salary increases for all fund sources. Additional information will be provided by the Office of Planning and Budgeting by August 8, 2017.

GENERAL NOTES: Process and Policy Guidelines

Based on guidelines outlined in the July 19, 2017, letter¹ from Provost Baldasty, the UW is authorizing a 2 percent merit salary increase pool for faculty, librarians and professional staff effective September 1, 2017. Increases for the majority of classified staff and academic student employees (ASE) were effective July 1, 2017.

The following additional policy decisions and procedures are important to keep in mind:

1. All **meritorious** faculty who are employed by the UW on or after September 1, 2017, must receive a minimum 2 percent regular merit salary adjustment. Units may provide more than the 2 percent increase if they have positions that will not be receiving merit. However, the average merit increase for all positions should not exceed 2 percent. Faculty members who received a prior salary adjustment that precluded an additional salary increase, or are ineligible for merit as stated in a hire letter, will not receive a merit increase. Recommendations not to award a merit salary adjustment must be supported by a justification with back-up documentation maintained at the unit level.
2. All meritorious librarians and professional staff in eligible job codes, who are employed by the UW on or after September 1, 2017 will be part of a 2 percent salary pool for merit based salary adjustments. Librarians and professional staff who received a recent salary adjustment that precluded an additional salary increase, or are ineligible as stated in a hire letter may not receive a merit increase. Merit salary adjustments of 0 percent for any individual will require back-up documentation maintained at the unit level.
3. Professional staff who were hired, promoted, or received an “in-grade” adjustment since March 1, 2017, are precluded from receiving a merit increase, unless it was indicated in a hire letter or in other documentation that they would be eligible for a merit adjustment.
4. By August 11, all units and campuses will receive a report outlining the value of the authorized 2 percent increase for permanently budgeted faculty, librarian and professional staff positions on General and Designated Operating Funds (GOF/DOF).
5. Units will use a spreadsheet, created from a Workday Report, to post proposed salary merit increases for full-time salary rates by employee. This spreadsheet will be created from Workday Report, “Proposed Merit Increase Report for FY2018 R0535”. Access to this report is security role driven. At this time only individuals who have received this email directly from Judy Gustafson Golisch will have access to the report in Workday. The Workday data represents converted legacy data, plus changes in Workday to date. If you have any questions about accessing this report please contact Judy at judygus@uw.edu or by phone, at 616-7441.

¹ This letter is available online at the following address:

http://opb.washington.edu/sites/default/files/opb/Budget/FY18_Merit_Authorization_Letter_71917.pdf

In Workday, the report will need to be scheduled in order to create the excel file. Please see Attachment III – “Scheduling R0535 to Run”, for directions on how to schedule the report. There are many columns on the spreadsheet, including worker (employee) details. Employees with positions in two different supervisory organizations will appear in both supervisory organization reports and the reports will include both positions (along with distinct information for those positions). Compensation information is based on full-time rates; annualized amounts are based on the full-time monthly rate multiplied by the service period.

The report contains two tabs, “*Proposed Merit Increase Report*” and “*Workday Data*”. The “*Proposed Merit Increase Report*” tab is populated with data from the “*Workday data*” tab. There are formulas on the Proposed Merit Increase Report that will automatically calculate the proposed changes in the salary columns when units enter an amount into the % Increase Column.

Please review the accuracy of data in this report and work with the ISC on any data discrepancies and needed corrections on supervisory organizations or data that will impact pay. If you already reported an issue through UW Connect, please do not resubmit. If you identify a new issue please submit a UW Connect ticket with the subject line Merit Report Data Discrepancy no later than August 4, 2017.

The downloadable report (excel file) is a preliminary version for merit planning purposes, the final version of the report will be completed by August 8, 2017. More detailed instructions for the final report are forth coming.

6. As stated in previous correspondence, units will use the salary module in BGT to post salary merit increases to budgeted GOF/DOF positions.
7. Increases for classified staff and Academic Student Employees (ASEs) are handled outside of the salary increase process.
8. UW Bothell, UW Tacoma and Seattle academic units are responsible for funding salary merit increases for all categories of employees, regardless of fund source. Once the process is complete, the value of the GOF/DOF salary increases will be ‘billed’ to each academic unit. As in previous salary increase cycles, DOF-ICR (75-xxxx budgets) will be charged with the offset to the salary merit increases posted directly to them. This offset will post to account code 1700.
9. As indicated in the July 19, 2017, letter from Provost Baldasty, Seattle administrative units will receive Provost Reinvestment Funds to fund 100 percent of the authorized 2 percent merit pool for permanently budgeted GOF/DOF positions. Units are expected to allocate an average 2 percent merit increase to eligible employees.

It is the intent of the Provost to not provide merit increase funds to administrative units for vacant budgeted positions or to “fund/top-up” budgeted positions that are underfunded due to recent-in-grade adjustments, promotions, new hires, or be used for future salary adjustments.

Unused central funds should not be posted to vacant or underfunded budgeted lines.

It is recommended that even though academic units fund their own salary increases, the salary module not be used to increase the value of vacant budgeted positions or to “fund/top-up” budgeted positions that are underfunded due to a recent-in-grade adjustments, promotions, new hires. However, this is a suggestion and increases to vacant positions and topping up of underfunded occupied positions will not be rejected, as long as the amount posted does not exceed the authorized 2 percent merit pool for permanently budgeted GOF/DOF positions.

OPB will review each unit's merit pool for budgeted position entries in detail to ensure compliance. If budgeted lines have been increased inappropriately, the value that has been entered on the budget line in the salary module by the unit may be reduced or zeroed out by OPB.

10. Classified staff and Academic Student Employees (ASE's) are handled separately from the salary merit increase process. Central funds are provided to cover the permanent GOF/DOF budgeted incremental change for all classified staff and ASE positions in administrative units.

SALARY MERIT INCREASE OVERVIEW

Faculty

All *meritorious* faculty members including part-time lecturers and clinical faculty must receive a minimum 2 percent regular merit salary adjustment, unless they received a prior salary adjustment, which precludes further adjustment. Faculty members who are determined *not to be meritorious* must be identified. These individuals will not receive a salary adjustment.

If you have faculty that are not receiving the 2 percent merit increase, the unspent merit funds may be distributed as part of the merit process, and distribution of these funds should factor in compression, equity, and merit issues. Elected faculty councils, department chairs, and executive leadership should be consulted with regard to the distribution of the merit pool (please consult Faculty Code Section 24-55 A for guidance).

All faculty in research, without tenure (WOT), and other non-state/tuition-funded positions (including the B portion of an A/B salary plan) are to receive the 2 percent salary adjustment if they are meritorious or have not had a prior salary adjustment that precludes further adjustment. These faculty may receive additional merit so long as the overall average merit increase of 2 percent is maintained within each academic unit. Funding for these increases should come from the applicable grant or contract, or from an alternative source of funds relevant to the appointment.

Part-time faculty who have not yet been reappointed/rehired for the 2017-18 academic year will need to be manually added to the spreadsheet before submitting it for review.

Academic Personnel will review all salary proposals and will request additional documentation if necessary. Faculty salary adjustments will be implemented using the spreadsheet populated with data from Workday; merit increases to budgeted positions will use the salary module in BGT. Merit salary adjustments will be effective September 1, 2017.

Faculty Promotions

Faculty will receive a 10 percent increase effective on the date of their promotion, either July 1 or September 16, 2017. Promotions will be handled separately from the merit increase process and must be entered into Workday as indicated below. Academic units are responsible for the funding of these promotions.

12-month Faculty Promotions

Promotions effective July 1st were calculated based on **pre-merit** salary amounts. The title changes and 10 percent increases should have already been entered in Workday.

July 1st promotion increases for all permanent budgeted positions

For these positions, units may enter budget revision requests (BRR) in BGT before the salary module is created, for these positions. Please notify Judy Gustafson Golisch in the Budget Office of any promotional budget revisions that have been entered, so that they can be

finalized with the F3 function. The Budget Office will send revised merit salary increase allocations to appropriate units with the effect of the July 1st promotion adjustments.

9-month Faculty Promotions

Promotions effective September 16th will be calculated **after** salary merit increases have been awarded. **The title changes and 10 percent increases must be entered in Workday no earlier than September 21, 2017 and no later than September 29, 2017 in order to have the correct salary paid for the pay period ending September 30, 2017.**

Faculty Minimum Salary Floors

Effective September 16, 2017, the minimum salary floors for faculty and other academic personnel will be adjusted as follows:

	9-month rate	12-month rate
Educators and Non-contract Extension Lecturers	\$3,569	\$3,272
Librarians	N/A	\$4,166
Research Associates, Senior Fellows, and Visiting Scientists	N/A	\$3,957
Lecturers, Artists in Residence, Teaching Associates, and Instructors	\$4,317	\$3,957
Senior Lecturers, Senior Artists in Residence, and Professor of Practice	\$4,705	\$4,313
Principal Lecturers	\$5,222	\$4,787
Assistant Professor (including WOT, Research and Clinical)	\$5,333	\$4,889
Associate Professor (including WOT, Research and Clinical)	\$5,803	\$5,319
Professor (including WOT, Research and Clinical)	\$6,889	\$6,315

Faculty Unit Adjustments

2017-18 unit adjustments are separate from the merit salary adjustment process, and when approved, will be effective February 1, 2018 or April 1, 2018 depending on the date of submission. Questions regarding this process should be submitted to the Provost’s Office.

Librarians

There will be a 2 percent salary merit pool for distribution to librarians. The distribution of this pool is to be consistent with the provisions of the Librarian Personnel Code. These salary adjustments will be implemented using the spreadsheet populated from Workday; merit increases to budgeted positions will use the salary module in BGT and will be effective September 1, 2017.

All meritorious librarians who meet performance expectations will receive a merit salary adjustment, unless they received a prior salary adjustment which precludes further adjustment. Librarians who are determined *not to be meritorious* must be identified. These individuals will not receive a salary adjustment.

Librarian Promotions

Promotions for librarians were awarded at 10 percent, effective July 1, 2017 based on their June 30, 2017 salary rate. Promotions are handled separately from the merit increase process and should already have been entered into Workday.

July 1, 2017 librarian promotion increases for GOF/DOF budgeted positions will be processed in BGT by the Budget Office before the salary module is created. These promotions will be part of the merit salary increase allocations.

Faculty and Librarian Retention Salary Adjustments

Retention salary adjustments that will be effective September 1, 2017 are to be submitted separate from the merit salary adjustment process. While the minimum retention salary adjustment is generally 5 percent, any retention salary adjustments that are intended to preclude eligibility for the September 1, 2017 merit salary adjustment must be effective no later than September 1, 2017 and provide at least an 8 percent salary increase. Otherwise, the criteria and process for approval of retention salary adjustments remain unchanged.

Professional Staff

There will be a 2 percent salary merit pool for distribution to professional staff. These salary adjustments will be implemented using the spreadsheet populated from Workday; merit increases to budgeted positions will use the salary module in BGT and will be effective September 1, 2017.

Performance expectations, ongoing feedback and performance evaluations should lay the foundation for merit adjustment decisions.

The Professional Staff Program requires that merit recommendations for professional staff be supported by a **current performance evaluation completed within the previous twelve months**. Documentation supporting salary adjustments should be retained at the unit level and must include **sufficient detail to confirm that a performance evaluation has occurred** within the previous twelve months as required by the Professional Staff Program. To be eligible for a September 1, 2017 merit increase, a professional staff employee must have an individual performance evaluation no later than August 26, 2017.

Professional staff who were hired, promoted, or who received an “in-grade” adjustment since March 1, 2017, are precluded from receiving a merit increase, unless it was indicated in a hire letter or in other documentation that they would be eligible for a merit adjustment.

Each unit can determine internally to use an earlier eligibility cutoff date, but no earlier than January 1, 2017. If a major organization elects to use an earlier eligibility cutoff date, it must be used for all departments within that major organization. If an earlier date is used, employees should have been notified at the time they received the retention or promotion that they were not eligible for the up-coming increase.

As in previous years, increases significantly higher than the merit pool average should be addressed as requests for in-grade adjustments and funded by the unit. In fact, **any portion of a proposed merit increase that exceeds 5 percent will not be considered part of the FY18 merit process and will be rejected.**

Documentation supporting salary adjustments should be retained at the unit level and must include sufficient detail to confirm that a performance evaluation occurred within the period from September 1, 2016 to August 26, 2017.

Professional Staff In-Grade Salary Adjustments

If you will be requesting post-merit in-grade adjustments to address equity and/or retention issues, use the Workday Request Compensation Change/in-grade process appropriate to your area

Any requests for in-grade adjustments on or after September 1, 2017 should be based on the post-merit salary as the current monthly salary. In order to ensure that the correct salary data is used for calculating and approving in-grades with an effective date of September 1 or later, in-grade approvals will be held until after September 1, 2017 merit increases and market minimum adjustments are made October 1, 2017 to avoid “in flight” issues in Workday. Please keep in mind that from August 9 to October 1, 2017 there is a Restricted

Entry of compensation transactions in Workday for currently employed professional staff. The restricted entry time for academic personnel is from August 9 to September 18, 2017.

Professional Staff Market Minimums

To assist UW units in maintaining the progress achieved through previous market-related adjustments, it is anticipated that market minimums will be increased for positions in salary grades 5-10 based on the 2017 Professional Staff Salary Survey results. The effective date of any adjustments to the mandatory adjusted market minimums will be October 1, 2017. Employees whose post-merit salary still falls below the new October 1, 2017 minimum must be adjusted to at least the minimum effective October 1, 2017.

A copy of the updated professional staff compensation plan will be provided to all budget administrators when it becomes available, which is anticipated to be in August. Central funding will be provided for adjustments to market minimums for permanently budgeted GOF/DOF positions in Seattle administrative units.

Professional Staff Temporary Appointments

Professional staff in temporary appointments (i.e., in job profiles 11650, 11655 or 19650) are ineligible for merit increases and are not included in the salary increase files. If a department wants to make a salary adjustment for an employee in one of these job profiles, they need to request a compensation change in Workday.

Contract Classified Staff

Contract classified staff who have concluded negotiations will receive across the board salary increases as outlined in their collective bargaining agreements for 2017-19. Specific information about pay increases for classified staff is available on the UW's Labor Relations website: <http://www.washington.edu/admin/hr/laborrel/index.html>

Non-Union Classified Staff

Classified non-union employees will receive 2 percent across-the-board salary increases in accordance with the final state appropriations bill on July 1, 2017, as determined by the 2017 state legislature.

Academic Student Employees (ASE's)

Academic Student Employees (ASEs), covered by the collective bargaining agreement between the University and the United Auto Workers (UAW) Local 4121, received a July 1, 2017 salary increase consistent with the provisions of their labor contract.

ASEs in units using the graduate student non-variable rate salary schedule received an annual percentage wage increase toward matching the Global Challenge States median. Based upon salary analysis performed by an outside compensation consulting firm, the graduate student non-variable scale increased by 3 percent this year.

ASEs in units using the graduate student variable rate salary schedules and that already pay above the Global Challenge States median received a minimum of 2 percent wage increase or the percentage needed to match the new base rate for the category, whichever was greater. Units were allowed to increase their graduate student variable salary rates above this minimum if they chose.

All ASEs on an hourly wage scale must receive a 2 percent wage increase over and above their current rate. The new hourly minimum rate is \$15.30 per hour as of July 1, 2017. This provision does not apply to the hourly GRSA job code, which received increases as noted above regarding graduate student non-variable and variable salary rates.

Other Employee Groups

Continuum College International & English Language Programs Extension Lecturers will receive salary adjustments consistent with the provisions of their labor contract, which ties the allocation and effective date for performance-based base salary increases to those of professional staff.

OTHER CONSIDERATIONS

Policy Compliance

As noted, units will be required to **stay within their individual allocations when making merit recommendations** for permanent budgeted positions funded from GOF/DOF. Allocations are not interchangeable between funds or between faculty, librarian and professional staff categories. **OPB's budget office will monitor compliance with this policy.**

Faculty and librarian increases funded from all sources will be **monitored for policy compliance by Academic Personnel.**

Professional staff increases funded from all sources will be **monitored for policy compliance by the HR Compensation Office.**

Recommendations not to award a merit salary adjustment must be supported by a justification with back-up documentation being maintained at the unit level and provided if requested.

Ensure Workday Records are Accurate

The following actions should be completed between July 26 and August 4, 2017.

Any faculty, librarian, or professional staff member whose merit increase is intended to be processed through the Workday Report, "*Proposed Merit Increase Report for FY2018 R0535*", must have a position/job in Workday.

Please review the accuracy of data in this report and work with the ISC on any data discrepancies/corrections. If you have already reported an issue through UW Connect, please **do not** resubmit. If you identify a new issue please submit a UW Connect ticket with the subject line Merit Report Data Discrepancy.

Restricted Entry time in Workday

Faculty and Librarians

From August 9 to September 18, 2017 there is a Restricted Entry Time of compensation transactions in Workday for currently employed faculty and librarians. ISC staff will hold all compensation transactions that occur 9/1/17 or later.

Professional Staff

From August 9 to October 1, 2017 there is a Restricted Entry Time of compensation transactions in Workday for currently employed professional staff. ISC staff will hold all compensation transactions that occur 9/1/17 or later so that merit increases and /or market minimum adjustments don't conflict with other compensation changes.

Personnel on Leave

Salary increase recommendations for personnel who are on leave should be based on the proposed salary of the individual when the person returns from leave. Permanently budgeted positions are included in the salary-adjustment pool salary base.

Joint Appointments

Salary increases for faculty whose appointments are divided between two or more departments or colleges should be determined by mutual agreement of appropriate department heads and deans. Only one salary increase level is possible, so all units must reach agreement prior to submission of the spreadsheets. A contact list of units' merit increase coordinators will be sent to you in the next few weeks.

Provisos Salary increases on budgeted lines must not be entered into a Proviso budget number. The amounts in those budgets are predetermined and should not be changed. Instead, salary increases need to be posted to a regular state budget. If you need assistance with this, please call Judy Gustafson Golisch at 616-7441.

President's and Provost's Lists Certain individuals' increases will be determined by the President or Provost. These individuals' positions are not included in the units' general budget allocation. The increases to the budget lines will be posted by OPB's budget office. The names of these individuals are listed on the unit allocation sheets for information only.

Units' faculty positions being held for faculty serving in administrative roles appointed by the Provost

If a faculty member has held a budgeted faculty position prior to serving in an administrative role appointed by the Provost, the unit is expected to hold that tenured faculty position for the individual to return to if/when the administrative position ends, unless otherwise stipulated. Each year, salary increases are allocated to the unit for those budgeted faculty positions and should be applied to those positions. Faculty members serving in administrative roles may receive salary increases greater than the average merit increases given each year during the administrative appointment. When a faculty member returns to a budgeted faculty position, the Provost funds the difference between the current salary and the budgeted faculty position. This adjustment is done as follows: add the percent of average merit increase given each year to the budgeted value of the position at the time the individual began an administrative role, and calculate the difference between that amount and the current salary.

FINAL STEPS OF SALARY INCREASE PROCESS

Completion of Data Entry **Workday Report - Proposed Merit Increase Report for FY2018 R0535**
Units must submit their completed Proposed Merit Increase Report for FY2018 (excel file) by 5 pm on August 22, 2017 to allow time for review by Academic Personnel and HR Compensation.

Additional details on the process for submitting your completed Proposed Merit Increase spreadsheet will be forthcoming.

BGT Salary Module for budgeted positions

Once the salary merit increases have been completed and entered into the BGT salary module for budgeted lines by the unit, contact Judy Gustafson Golisch at 616-7441 or judygus@uw.edu. Once this notification is received, access to the module will be frozen for your unit. If you do not contact Judy before the 5:00 pm deadline on September 1, 2014, access will be frozen at that time.

Review of Salary Module Data Please plan to have someone **available during the review process period of August 23-September 8, 2017** to answer any questions from OPB, the Vice Provost's Office for Academic Personnel or the HR Compensation Office.

Unit Approval **OPB, Academic Personnel and HR Compensation expect that Deans, Chancellors, Vice Presidents or Vice Provosts will review and approve increases before these increases have been submitted for review.** This approval should be maintained at the unit level.