



May 3, 2018

**Board of Deans and Chancellors
Vice Presidents
Vice Provosts**

Dear Colleagues:

The purpose of this letter is to provide final authorization for 2018-19 (FY19) merit. This budget cycle, my team in Planning & Budgeting and I analyzed multi-fund multi-year financial forecasts for every unit on all three campuses. This work was instructive and clarifying. Funding 2 percent merit pools in perpetuity without additional incremental funding from the state or tuition will prove challenging after this biennium. As a result, we are prioritizing compensation again this cycle, and redeploying resources to meet our objectives.

Having met with all of you in annual review meetings and discussed your most pressing needs – recruiting, retaining and rewarding your colleagues – I am authorizing a 2 percent merit pool.

Please read this letter carefully and note that detailed merit implementation process guidelines will be forthcoming.

General Timeframe

Salary increases for 2018-19 for meritorious faculty, librarians, and professional staff will be effective September 1, 2018.

Classified staff salary across-the-board increases will be effective July 1, 2018, and January 1, 2019.

Please ensure that your staff is available to work with Academic Personnel, the UWHR Compensation Office, the Integrated Services Center, and the Office of Planning & Budgeting during the months of August and September.

General Funding and Increase Estimates

I am authorizing a **pool of 2.0 percent for merit-based increases** for faculty, librarians, and professional staff in FY19.

It is my intent to continue the practice established since FY15, by which **Seattle academic units, UW Bothell, and UW Tacoma** fund salary and benefit increases for their personnel.

For **Seattle administrative units**, central funding will be provided to cover 100 percent of the merit pool based on permanently budgeted General Operating and Designated

Operating Fund (GOF and DOF) positions as of June 30, 2018.

Merit funding will not be available to increase vacant budgeted positions or to “fund/top-up” budgeted positions that are underfunded, due to recent in-grade adjustments, promotions, or new hires. It is my intent to not use scarce central funds for future salary adjustments either. As a result, central funds may not be fully exhausted, and thus, returned for allocation to other priority university investments.

Permanently budgeted GOF and DOF funded professional staff positions may be increased between 0 and 5 percent with the increase corresponding with the actual increase of the employee’s base pay. When increasing actual budget lines, units may not exceed the 2 percent budget merit pool.

With the authorized 2 percent merit pool, it is my expectation that an average 2 percent merit will be distributed to meritorious professional staff regardless of funding source. Eligible meritorious professional staff will receive an increase of between 0 and 5 percent; the average within the organization shall not exceed 2 percent.

Faculty Merit Salary Adjustments

The first step in the distribution process is ensuring that all continuing faculty members have been evaluated for merit, including, part-time lecturers, clinical faculty-salaried, paid affiliate faculty, teaching associates, and research associates. [Faculty Code Section 24-55](#) provides that faculty shall be reviewed by their colleagues to evaluate their merit and to arrive at a recommendation for an appropriate merit salary increase. Such reviews are to consider the faculty member’s cumulative record, including contributions to research/scholarship, teaching, and service, and their impact on the department, school/college, University, and appropriate regional, national, and international communities. Please read Section 24-55 and begin planning for merit reviews now, so that merit reviews are completed by the end of this academic year.

All faculty members who are determined to be meritorious will receive a regular 2 percent merit salary adjustment, unless they received a prior salary adjustment that precluded further adjustment. Faculty members who are determined not to be meritorious must be identified and will not receive a salary adjustment. Funds available in the merit pool from vacant positions or positions of faculty members not determined to be meritorious or precluded from adjustment shall not be distributed as additional merit.

All faculty in research, without tenure by reason of funding (WOT), and other non-GOF-funded (including the B portion of an A/B salary plan) are to receive the regular 2 percent salary adjustment if they are meritorious or have not had a prior salary adjustment that precludes further adjustment. Funding for these increases should come from the applicable grant, contract, or other alternative source of funds relevant to the appointment.

Librarian Merit Salary Adjustments

A 2.0 percent merit pool will be available to distribute consistent with the Librarian Personnel Code.

Faculty and Librarian Promotion Adjustments

Faculty and librarian promotion increases will be 10 percent, on the effective date of the promotion (July 1 or September 16).

Faculty and Librarian Retention Salary Adjustments

Retention salary adjustments that will preclude September 1, 2018 merit adjustment must be a minimum of 9.5 percent.

Professional Staff

Similar to all meritorious faculty and librarians, I authorize a 2.0 percent merit pool for professional staff. Note that UW Medicine – including the School of Medicine – is currently considering a number of issues related to compensation increases; thus, this section addresses all units *with the exception of UW Medicine*.

Application of the professional staff merit pool should take into consideration factors of merit, market competitiveness, retention, internal equity, and compression.

However, with the authorized 2 percent merit pool, it is my expectation that an average 2 percent merit will be distributed to meritorious professional staff regardless of funding source. Eligible meritorious professional staff will receive an increase of between 0 and 5 percent; the average within the organization not exceeding 2 percent.

Employees who were hired, promoted, or received an “in-grade” adjustment since March 1, 2018, are precluded from receiving a merit increase, unless it was indicated in other documentation that they would be eligible for a merit adjustment.

Vice Presidents, Vice Provosts, Deans, Chancellors, Directors, and Chairs will award available funds based on merit. Performance expectations, ongoing feedback, and performance evaluations should have laid the foundation for determinations of merit adjustments. The Professional Staff Program requires that merit recommendations be supported by a current performance evaluation completed within the previous twelve months and performance reviews should be conducted no later than August 24, 2018.

Following normal practice, documentation supporting salary adjustments should be retained at the unit level and must include sufficient detail to confirm that a performance evaluation has occurred in the last year.

Classified Staff Employees

Contract classified staff will receive salary increases as outlined in their respective collective bargaining agreements. Specific information about pay increases can be found in labor contracts on the UW's Labor Relations website:

<http://www.washington.edu/admin/hr/laborrel/index.html>.

Classified non-union employees will receive across-the-board salary adjustments in accordance with the final state appropriations bill as determined by the 2017 state legislature and confirmed by the 2018 state legislature.

Salary Increase Process – Policy and Transactional Information

A comprehensive resource guide that addresses 9/1 effective compensation adjustments will be disseminated to unit administrators by May 18, 2018, that outlines:

- Adjustment preparation and submission process
- Definition and appropriate use of key process terms and functions
- Relevant policy information
- Timing considerations (submission deadlines, business process lock-out periods, review windows, load dates, etc.)
- Protocol for addressing errors/changes

Thank you, in advance, for your partnership in this work, as I know the next few months will be busy for our community.

Sincerely,



Gerald J. Baldasty
Provost and Executive Vice President
Professor, Department of Communication

cc: Jeff Scott, Executive Vice President, Finance & Administration
Cheryl Cameron, Vice Provost, Academic Personnel
Sarah Norris Hall, Associate Vice Provost, Office of Planning & Budgeting
Mindy Kornberg, Vice President, Human Resources
Faculty Senate Leadership
Unit Administrators