



February 5, 2016

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

Dear Colleagues:

I write to provide you with my thoughts regarding salary increases in 2016-17. The purpose of this letter is to provide some guidance for unit planning purposes as FY17 budget development gets underway. As I have articulated to each of you and to faculty and students, it is my highest priority to continue to improve compensation for our dedicated faculty and staff.

As you are all likely aware, the 2015-17 state operating budget provides extremely limited funding to partially cover a 1.8 percent merit increase for state-supported faculty and staff in FY17. Further, this budget contains approval of collectively bargained classified staff contracts. Neither of these budget provisions are fully covered with state funds. We do not anticipate receiving additional funds from the 2016 Legislature during this supplemental budget cycle.

As such, I want to emphasize that, though our goals to increase compensation remain firmly in place, the specific mechanics and percent increases discussed may fluctuate during these next few months.

I will be sending additional salary and funding distribution information and guidelines as it becomes available. Final merit process guidelines will be distributed after we have an adopted budget.

**General Timeframe**

Salary increases for 2016-17 for meritorious faculty, librarians, and professional staff will be made effective September 1, 2016. Please ensure that your staff is available to work with Academic Personnel, UW HR Compensation Office, and the Office of Planning & Budgeting during the months of August and September. Classified staff salary increases will be effective July 1, 2016.

**General Funding and Increase Estimates**

I plan to authorize **a pool of at least 3 percent for merit-based increases** for faculty, librarians, and professional staff in FY17. However, it is my goal to authorize a pool of 4 percent merit-based salary increases for faculty, librarians, and professional staff, if possible.

It is my intent to continue the practice established in FY15 and FY16 where Seattle academic units, UW Bothell, and UW Tacoma fund salary and benefit increases for their personnel in combination with state-funded tuition reduction backfill appropriations and a commensurate share of state funds appropriated for compensation. However, if conditions dictate any deviation from this plan, we will communicate these changes to you immediately.

For **Seattle administrative units**, central funding would be provided based on permanently budgeted General Operating and Designated Operating Fund (GOF and DOF) positions as of June 30, 2016.

**Allocations from central funds will only cover 90 percent of the required merit pool, as calculated by the Office of Planning & Budgeting, but units are expected to allocate 100 percent of the required merit pool to eligible employees.** If a 3 percent merit pool is authorized, it is my expectation that 100 percent of the pool will be distributed based on an assessment of performance, which will lead to a range of adjustments that are within the 3 percent pool.

Assumptions regarding merit pools will continue to evolve during winter and spring quarters. These assumptions will be communicated broadly to deans, vice presidents, vice provosts, faculty senate leaders, and student representatives.

### **Faculty Merit Salary Adjustments**

The first step in the distribution process is ensuring that all continuing faculty members have been evaluated for merit, including, for example, part-time lecturers, clinical faculty-salaried, 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 review the merit review process outlined in Section 24-55 and begin planning for merit reviews now so that they are completed by the end of this academic year.

All faculty members who are determined to be meritorious would 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.

In addition to the 2 percent regular merit pool, a 1 percent (and if possible 2 percent) additional merit pool would be available for distribution. The distribution of this additional merit pool should take into consideration factors of compression, equity, and merit. I request that you consult with your elected faculty councils, department chairs, and executive leadership regarding the distribution of such an additional merit pool and look to Faculty Code Section 24-55 A for guidance. Please remember that, pursuant to the Faculty Code Section 24-71 B.1, an additional merit pool must be distributed by departmentalized schools, colleges, and campuses as equal percentage increases to each academic unit.

All faculty in research, WOT, and other non-state/tuition-funded positions (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. Additional merit should also be awarded with the average increase at the additional merit limit, thereby maintaining an overall average merit increase consistent with the regular and additional merit pool within each academic unit. 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**

It is my plan that a minimum 3 percent merit pool would be available to distribute consistent with the Librarian Personnel Code. Again, it is my goal to authorize 4 percent merit increases.

### **Faculty and Librarian Promotion Adjustments**

Faculty and librarian promotion increases will be 7.5 percent, on the effective date of the promotion (July 1<sup>st</sup> or September 16<sup>th</sup>).

### **Faculty Unit Adjustments**

The Office of Planning & Budgeting (OPB) is finalizing peer salary comparisons to share with the Senate Committee on Planning and Budgeting (SCPB) and deans and chancellors. As I communicated to you last spring, unit adjustment proposals, which I encourage you to submit, will be accepted for the 2016-17 academic year. The proposal deadline is March 15, 2016. Submissions will be reviewed in early spring quarter with the Senate Committee on Planning and Budgeting. A decision about unit adjustment proposals will be made before the end of spring quarter so that your individual faculty unit

salary adjustment decisions can be coordinated with the merit review process. Unit adjustments will be effective October 1, 2016.

### **Faculty and Librarian Retention Salary Adjustments**

Retention salary adjustments that will be effective September 1, 2016 are to be submitted separate from the merit salary adjustment process consistent with the criteria and process for approval of retention salary adjustments.

### **Professional Staff**

Similar to all meritorious faculty and librarians, I plan to authorize at least a 3 percent merit pool for professional staff. It is my goal to authorize 4 percent merit increases. Application of the professional staff merit pool should take into consideration factors of compression, equity, and merit.

Vice Presidents, Vice Provosts, Deans, Chancellors, Directors, and Chairs would award available funds based on merit. Performance expectations, ongoing feedback, and performance evaluations should have laid the foundation for determinations of merit adjustments. Performance reviews should be conducted no later than August 26, 2016.

The Professional Staff Program requires that merit recommendations be supported by a current performance evaluation completed within the previous twelve months. As last year, 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. Please plan to conduct individual performance evaluations no later than Friday, August 26, 2016.

More information about retention-based “in-grade” adjustments for professional staff will follow this transmittal. As in previous years, it is strongly recommended that increases significantly higher than the merit pool average be addressed as requests for in-grade adjustments. In fact, any portion of a proposed merit increase that exceeds 10 percent will not be considered as part of the FY17 merit process and will be rejected. As noted, unit heads are encouraged to use the in-grade adjustment mechanism for salary increases over 10 percent.

### **Classified Staff and Academic Student Employees**

Contract classified staff will receive salary increases as outlined in their respective collective bargaining agreements. Specific information about pay increases is available on the UW’s Labor Relations website: <http://www.washington.edu/admin/hr/laborrel/index.html>.

Salary adjustments for classified non-union employees will receive salary adjustments of 1.8 percent on July 1, 2016, as determined by the 2015 State Legislature.

### **Other Employee Groups**

Educational Outreach 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.

### **Salary Increase Process – Policy and Transactional Information**

Additional information will be sent to this distribution list as it becomes available. I will continue to brief SCPB, the Provost Advisory Committee for Students (PACS) and each of you throughout the process. As we move closer to the end of the legislative session, OPB will provide more information regarding the salary module planning process. However, I would like to encourage you to forecast and plan for September 1 salary increase-related expenses, consult with your elected faculty councils, department chairs, and executive leadership regarding the approach you will take to the outlined faculty salary adjustments, and conduct merit and performance reviews. Bear in mind that August will likely be a busy month for those responsible for inputting salary adjustments in the module. A model

entitled, “*Tuition Revenue and Salary Increase Model for Academic Units*,” is available to assist in your efforts to project compensation expenses. This model was most recently updated last fall. It is still available on OPB’s FY17 budget development webpage: <http://opb.washington.edu/content/fy17-budget-development>.

Sincerely,



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