



To: Non-Represented Staff

From: Chancellor Kim A. Wilcox

Date: June 14, 2017

Re: Information about fiscal year 2017-2018 UCR merit increases

I am pleased to confirm that UCR will implement a 3% merit based salary program for non-represented staff for FY2017-18. Increases will be effective July 1, 2017 for monthly paid staff and June 18, 2017 for bi-weekly paid staff. In President Napolitano's communication to UC Chancellors regarding this year's salary program, she continues to emphasize that salary increases must be based on individual performance and contribution.

UCR has been working to create a pay for performance culture that is supportive of merit-based pay as a mechanism to recognize and incentivize excellent performance. Based on input from several collaborative workgroups made up of employees from across campus, the performance appraisal process was revised to measure performance against objective behavioral standards and achievement of pre-established goals. Each organization unit has calibrated these ratings for consistent application in order to recognize and reward truly exceptional work. This change in performance standards will allow us to make meaningful merit decisions based on recognizable performance results.

Thanks to our implementation of Career Tracks, we are better positioned than in the past to recognize and respond to market equity issues. Each year HR completes an analysis of market data and trends for all Career Tracks titles, and the campus makes range adjustments if necessary to ensure our salary ranges continue to be competitive. This year ranges for all Career Tracks titles at UCR will be adjusted by 2.5%. In addition, we have identified 54 nonrepresented staff titles where the market has changed, and those titles (please [click here](#) to see the list of those in use at UCR) are being regraded to ensure we can continue to attract and retain qualified candidates. Last fall the campus implemented an Annual Equity Program which allowed the campus to make strategic decisions about where to spend available equity dollars. All of these changes work together to create a structure that allows us to ensure that staff are appropriately compensated, and to recognize and reward excellent performance.

Merit Program Instructions to Organizational Units*

- The merit increase shall be performance-based and should distinguish top performers.
- Organizations are required to incorporate an internal review process and a merit distribution methodology that will support the reward and recognition of top performers within the parameters of the systemwide budgeted control figure of 3.0 percent.
- Merit increases are reserved for performance that "Successfully Meets Performance Expectations" or better.
- Employees rated as "Unsatisfactory" or "Needs Improvement" shall not receive a merit increase.
- Performance appraisals, pursuant to Personnel Policies for Staff Members (PPSM) 23, shall pertain to performance during the April 1, 2016 – March 31, 2017 review period for PSS and MSP employees.
- All recommended merit increases must be reviewed and approved at the organizational unit level **before** being communicated to employees.
- A merit increase in excess of six percent (6%) requires consultation with the Chancellor and approval by the dean, vice chancellor, or organizational unit head, as designated by the Chancellor.
- Merit increases for an individual's direct reports must be approved by the next higher level of management, i.e., one-over-one approval for all merit increases is required.
- An across-the-board approach to awarding the merit increase is not acceptable.
- Communication to employees concerning the merit increase should emphasize a performance-based focus that allows for varying levels of a merit increase based on performance.

***Organizational Unit Aggregate Merit Increases must balance to 3%.**

Eligible

1. Employees who are on active pay status as of June 18, 2017 for bi-weekly paid employees and July 1, 2017 for monthly paid employees.
2. Non-represented career staff who were hired on or before January 3, 2017 and who have successfully completed their probationary period as indicated by the employee's status in PPS as of June 30, 2017. Questions regarding probationary status are addressed in PPSM 22 and Local Procedure 22.
3. Contract employees whose contract specifically indicates that they are eligible to participate in the campus salary program.
4. Employees who transferred from another University of California campus or the Office of President who are otherwise eligible will be eligible at UCR providing that there was no break in service between their appointment at the other UC location and UCR.
5. PPSM 30 requires that "an individual salary shall be within the salary range that is assigned to the position." Individuals who are at or near the range maximum will be eligible for an increase up to the range maximum with any equivalent portion in excess of maximum given as a lump sum payment that does not add to base salary.
6. Members of the Senior Management Group (SMG) are eligible subject to the usual limits and approval processes.

Ineligible

1. Employees rated as “Needs Improvement” or “Unsatisfactory” on their performance evaluation are not eligible for a merit increase.
2. Probationary employees.
3. Employees in contract appointments where the contract does **not** specifically include provisions for participation in the campuswide salary program.
4. Employees covered under collective bargaining agreements as their compensation is determined by the contract terms in their respective labor agreements.
5. Students and employees in casual/restricted and limited appointment types.
6. Employees who separate from the University on or before June 18, 2017 for bi-weekly paid staff or July 1, 2017 for monthly paid staff.

Note: Employees in job titles that were recently added to represented bargaining units are not eligible to participate in this merit based salary program. Any changes to their compensation are subject to collective bargaining.

If you have questions about eligibility, pay dates, increase amounts, etc. please contact the Human Resources representative for your organizational unit.

Funding

Central campus merit funding will be provided for staff that are permanently budgeted on July 1, 2017 and paid on general core funds (19900/19924/19942) or student services fees (20000/20027). Funding will be based on actual merit increases up to a maximum of 3% of total eligible base salaries.

Human Resources will be working with the organizational units in the coming weeks to ensure timely and consistent implementation of the staff merit program.

If you have questions related to the staff programs, please contact John-Stephen Henderson, Director, Total Compensation at extension 2-2256 or email john.henderson@ucr.edu.