



March 14, 2018

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

Dear Colleagues:

Now that this year's legislative session has concluded, I write to provide you with my thoughts regarding the merit increase process for 2018-19 (FY19). The purpose of this letter is to provide preliminary guidance for unit planning purposes as FY19 budget development continues. It continues to be President Cauce's and my highest priority to improve compensation for our dedicated faculty and staff. However, the extent of our ability to address this priority remains dependent on the state's investment of additional permanent resources for compensation.

As a reminder, our top priority this legislative session was to correct the "fund split" that the state applies to new, state-related expenses, such as salary changes, benefits, and state central services, such as our Division of the Attorney General's Office. The UW's fund split is roughly 34/66 (34 state appropriation, 66 tuition revenue); however, all of the other Washington state public four-year universities have approximately a 50/50 fund split. This fund split is based upon years of assumptions about our ability to raise tuition rates to cover ever-higher annual expenses; and, it is not sustainable.

The legislative session ended on March 8, and though we received additional funding to shift our "fund split," the **additional compensation funding provided in the final state budget was temporary**. We have been assured that the next legislative session in 2019 will revisit our funding assumptions.

I will authorize final merit increases mid-May. At that time, I will send additional salary and funding distribution information and guidelines. Final merit implementation process guidelines will be distributed after we have received more information from UW Finance and Administration and have adopted a budget. However, it is the case that this year's merit increases will follow the same process as last year, and will be conducted largely outside of Workday. The process will also involve permanent budget line reconciliation in our budget system, BGT.

**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 December 31, 2018.

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**

Depending on outcomes from the state budget and the finalization of the University budget, I plan to authorize **a pool of 2.0 percent for merit-based increases** for faculty, librarians, and professional staff in FY19. In addition, I am working to find permanent funds for additional unit adjustments for faculty.

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 in combination with tuition funds, and receive a commensurate share of state funds appropriated for compensation, if such funds are sufficient to distribute. However, if economic and budget conditions change and necessitate any deviation from this plan, we will communicate these changes to you as soon as possible.

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. If a 2 percent merit pool is authorized, it is my expectation that 100 percent of the pool will be distributed based on an assessment of performance. In other words, I expect that all meritorious GOF- and DOF-funded employees in Seattle administrative units will receive an increase of between 0 and 5 percent, the average of which must be 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, 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 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. Funds available in the merit pool from vacant positions or positions of faculty members not determined to be meritorious or precluded from further adjustment shall not be distributed as additional merit.

All faculty in research, without tenure (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**

It is my plan that a 2.0 percent merit pool would 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 Unit Adjustments**

It is critical that faculty councils, department chairs and executive leadership utilize the tools available under revised Presidential Executive Order 64<sup>1</sup>, which stipulates that adjustments may be approved by me on the basis of "...salary compression or inversion and inconsistencies in salaries among individual faculty members within a unit whose accomplishments and career stages are comparable. Such authorization should be informed by an assessment of market gaps and availability of funds by deans and chancellors in consultation with the elected faculty council and unit leadership."

I am planning to provide a limited, centrally funded unit adjustment pool for FY19.

Though details will not be available until a later date, units should review their ability to provide unit adjustments within their available resources.

We anticipate following the same unit adjustment schedule as in FY 19:

- Cycle 1 proposal submission date of November 1, 2018 and unit adjustment effective date of February 1, 2019;
- Cycle 2 proposal submission date of January 7, 2019 and unit adjustment effective date of April 1, 2019; and
- Cycle 3 proposal submission date of May 1, 2019 and unit adjustment effective date of October 1, 2019.

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

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

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<sup>1</sup> Available at the following website: <http://www.washington.edu/admin/rules/policies/PO/EO64.html>

### **Professional Staff**

Similar to all meritorious faculty and librarians, I plan to authorize a 2.0 percent merit pool for professional staff. Application of the professional staff merit pool should take into consideration factors of merit, market competitiveness, retention, internal equity and compression. I expect that all meritorious GOF- and DOF-funded employees within Seattle administrative units will receive an increase of between 0 and 5 percent, the average of which must be 2 percent.

Employees who were hired, promoted, or who 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 would 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.

### **Other Employee Groups**

Academic Student Employees will receive salary adjustments consistent with the provisions of their labor contract, which is set to expire April 30, 2018. Negotiations for a successor contract are in process.

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. The labor contract for this group expired in June 2017, and negotiations for a successor contract are in process.

### **Reporters and Related Jobs at KUOW Radio**

The Screen Actors Guild and the American Federation of Television and Radio Artists (SAG-AFTRA) has been certified by PERC to represent a small group of staff reporters at KUOW. Merit increases for this group are on hold until bargaining for a first contract for them has been completed.

### **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 the Senate Committee on Planning & Budgeting (SCPB), the Provost Advisory Committee for Students (PACS), and each of you throughout the process. As I have been encouraging the deans and chancellors since last autumn, 2017, please continue 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.

As mentioned above, this year's merit process will be conducted largely outside of Workday. At this stage, the teams anticipate pulling data from Workday and sending customized spreadsheets to each unit. The supervisory org structure will be used to propose merit increases in alignment with the policies stipulated herein, and as a means of securing merit increase approvals from OPB, Academic Personnel and UWHR Compensation. Like last year, there will be a black-out period in Workday for compensation changes and it is important to not enter future compensation changes (dated after September 1) into Workday. Additional guidance regarding the use of Workday data, including specific information provided to units, process details and data entry, will follow as we continue working on this process in partnership with the ISC.

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