



WISCONSIN
UNIVERSITY OF WISCONSIN-MADISON

DATE: 1/17/18

TO: Deans, Directors and Vice Chancellors

FROM: Rebecca Blank, Chancellor *RB*
Sarah Mangelsdorf, Provost and Vice Chancellor for Academic Affairs *4*
Laurent Heller, Vice Chancellor for Finance and Administration *4* *4cm*

RE: 2017-19 Pay Plan and University Staff Compensation

We are happy to announce the 2017-19 state biennial budget provides UW-Madison the authority and funding to proceed with a 4% state pay plan for faculty and staff. The increases will be phased-in with half of the increase taking effect July 1, 2018 and the second half of the increase taking effect January 1, 2019.

To be eligible to receive any of the increases, an individual must have been employed in their current position at UW-Madison on January 8, 2018.

Our strategy for implementing the FY19 Pay Plan adjustments includes the following conditions:

- Faculty and staff **meeting expectations** on their last performance review will receive a general wage increase of 4.0% (phased between two increases issued on July 1, 2018 and January 1, 2019)
- Faculty and staff **not meeting expectations** on their last performance review will not receive any general wage increases

Faculty and staff will not be eligible to receive any of the stated increases if one of the following circumstances exist.

- Employee is hired after January 8, 2018;
- does not meet performance expectations as documented in their last performance evaluation;
- is employed in a terminal position with a rate established for the duration of the appointment
- has not completed the required sexual harassment prevention training; or
- has not stayed current with employee performance evaluations if responsibility includes supervisory duties

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Although not part of the Pay Plan authority, we are also funding additional increases for employees in the University Staff employment category. Effective January 21, 2018, any University Staff employee in an ongoing appointment making less than \$15.00 an hour will receive an increase up to \$0.50 an hour (not to exceed \$15.00/hour). This increase will be on top of the increases provided as part of the new Living Wage (\$13.01/hour) effective December 24, 2017.

We realize the University Staff increases will create compression issues for divisions. However, the adjustments will help address the disproportional burden these employees have had with rising employee benefit costs over the last five years. We encourage divisions receiving Discretionary Compensation Funding (DCF) to consider using some of the funding to address this compression.

As you know, the campus recently provided additional central compensations funds (Block Grant, DCF, Bonus program, and Post-Tenure Review Increment) for colleges, schools and divisions to use for compensation issues. Organizations should consider all of these pay-funding initiatives, including the Pay Plan adjustments, when holistically determining compensation for faculty and staff.

The determinations for the Pay Plan adjustments will need to be submitted by April 1, 2018 as part of the 2018-19 annual budget development process.

Note: supervisors and department chairs, when determining starting salaries, need to consider that appointments effective after January 8, 2018 will not be eligible for any of the Pay Plan increases. This includes current UW-Madison employees moving into new campus appointments.

Further budget and human resources implementation instructions will be issued in the coming weeks. The instructions will provide detailed information on employee eligibility for the Pay Plan adjustments.

After years of not receiving increases through the state Pay Plan, we are grateful for the state's assistance on the pay plan, and enthusiastic that UW-Madison is able to provide meaningful pay increases for all of our dedicated faculty and staff.

CC: Tim Norris, Madison Budget Office
Wayne Guthrie, Office of Human Resources
Michael Bernard-Donals, Office of the Provost