



DATE: June 20, 2022

TO: Deans, Directors and Vice Chancellors

FROM: John Karl Scholz, Interim Chancellor
Robert Cramer, Vice Chancellor for Finance and Administration

RE: Central Funds for Compensation Adjustments, 2022-23 Fiscal Year

University of Wisconsin–Madison leadership has approved a fiscal year 2022–2023 compensation strategy. This strategy will support the university’s Total Compensation Philosophy, which is to be a market-competitive employer that supports our staff and faculty.

This compensation strategy includes an allocation of more than \$28 million to support schools, colleges, and divisions in rewarding and retaining faculty and staff, as well as to assist in addressing issues discovered by the TTC Project due to better market data. As with previous compensation plans, units are encouraged to review their budgets and allocate funds to address salaries for positions that are not centrally funded.

Central funding is provided for wage and salary adjustments for positions on Funds 101 and 104.

- Units are responsible for wage and salary adjustments for positions on other funds sources.
- Each school, college and division is expected to outline processes related to distribution/eligibility of funds and communicate it to employees.
- Base adjustment effective dates are identified below.
- The central Office of Human Resources (OHR) will provide details about the process at a later date.

Providing \$28 million for compensation needs is crucial to support outstanding faculty and staff who make the university a world-class research and teaching institution.

Attached to this memo are the following documents:

- Information specific charts to 2022-23 Pay Initiatives
- Performance and Retention Compensation for 2022–2023
- Overarching HR and Budget Guidelines for 2022-23 Pay Initiatives

- Sample Compensation Review Process for units
- Charts with 2022-23 Funding Allocations by school, college, and division

Additional information is on the [Pay Increases](#) website. View the university's [Salary Structure](#) for all ranges.

For specific compensation questions contact the central Office of Human Resources (OHR) Compensation Team. To view these documents online visit hr.wisc.edu.

CC: Diana Hess, Interim Provost and Vice Chancellor for Academic Affairs
Beth Meyerand, Office of the Provost
Andrew Johnson, Madison Budget Office
Allison LaTarte, Academic Planning & Institutional Research
Patrick Sheehan, Office of Human Resources

2022-2023 Pay Initiative Charts

The following provides information specific to each pay funding initiative - Overarching HR and budget guidance for administering these funding programs is listed in this document.

Staff – Base Adjustments (\$4 million)			
<i>Units distribute adjustments based on performance or market factors. OHR will provide detailed guidance to campus HR representatives.</i>			
Pay Adjustment	Funding Allocated	Employee Category	Effective Salary Adjustment Date and Pay Date
Base-building Discretionary Compensation Fund (DCF)	\$4 million	• Academic staff	11/06/22
		• University staff • Limited appointee	12/1/22 paycheck

Title and Total Compensation (TTC)			
Wage and Salary Adjustments (\$11.9 million)			
<i>Adjustments will be distributed through existing school and college processes.</i>			
Pay Adjustment	Funding Allocated	Employee Category	Effective Salary Adjustment Date and Pay Date
\$17 per Hour Minimum Wage	\$1.4 million	• Academic staff • University staff	7/03/22 effective and 7/28/22 paycheck
	(101/104 Cost \$264,000)		
Compression* – address impact of new minimum wage.	\$2.5 million	• Academic staff • University staff	11/06/2022
	Retention* and Market	\$8 million	12/1/22 paycheck
		• Academic staff • University staff • Limited appointee	

Faculty - Base Adjustments (\$5.45 million)

Adjustments will be distributed through existing school and college processes.

Pay Adjustment	Funding Allocated	Effective	Pay date
Recurring Faculty Block Grant	\$4 million	11/06/2022	12/1/2022
Faculty Post-Tenure Adjustments for Distribution in FY2024	\$1 million	FY2024	To be determined
Faculty Promotion	\$450,000	FY2024	

* Considers performance, experience, and knowledge. For more information visit the [Pay Increases](#) website.

One-Time Bonus Funds (\$7.5 Million)

Adjustments will be distributed through existing school and college processes.

Pay Adjustment	Funding Allocated	Employee Category	Effective Salary Adjustment Date and Pay Date
Faculty One-Time Bonus	\$2.5 million	Faculty	Allocations no later than 12/31/22
Staff One-Time Bonus	\$5 million	Limited, Academic Staff, University Staff	Allocations no later than 12/31/22

Note: Central funds provided \$6.5 million in funds to address Fair Labor Standards Agreement adjustments. OHR is working with HR professional that have impacted employees.

Performance and Retention Compensation for 2022–2023

Staff-Base Adjustments

Performance Bonus Fund

For 2022-23, the central campus will allocate \$7.5 million for one-time, lump-sum performance bonuses for faculty (\$2.5 m), academic and university staff, and limited appointees (\$5.0 m). The funding will be used to reward those who went above and beyond expectations. Funding will include employees paid on both 101 and non-101 funds.

TTC Wage and Salary Adjustments (Market-Informed Compensation Adjustments)

As a part of an ongoing compensation strategy, identified during the Title and Total Compensation (TTC) Project, the following adjustments are available to support the university's TTC Compensation Philosophy:

Faculty were not included in the TTC Project and are therefore not included in these adjustments. Faculty adjustments are listed in additional sections below.

Raise Campus Minimum Wage

For 2022-23, the central campus will allocate \$1.4 million to raise the hourly minimum wage rate from \$15 per hour to \$17 per hour for university staff (does not include temporary employees). The funding will be used to maintain the university's commitment to rewarding frontline employees, remaining a market competitive employer, and is to include employees paid on both 101 and non-101 funds.

Addressing Compression for the Lowest Paid Employees

Pay compression occurs when employees in similar jobs but with different experience levels are paid similar amounts. For 2022-23, the central campus will allocate funds to address compression for those whose rate of pay may be affected by the increase to \$17 per hour in their units and who also meet or exceed performance expectations.

Retention and Market Adjustments

For 2022-23, the central campus will allocate funds to reward specific high performing employees for performance, experience, and knowledge. The funding will be used to ensure UW–Madison remains competitive as an employer retains top talent in a competitive market.

Faculty – Base Adjustments

Recurring Faculty Block Grant

For 2022-23, the central campus will allocate \$4 million for salary base adjustments for faculty (Block Grant). The funds are provided to colleges, schools, and divisions to reward exceptional performance/merit and address retention.

Faculty Post-Tenure Review Increment

For 2023-24, central campus is allocating \$1 million for post-tenure review adjustments. Funds are distributed to schools and colleges based on an FTE head count of tenured faculty on 101 funds.

Departments will follow their normal schedule of post-tenure review to coincide with the post-tenure review process guidance. Faculty will undergo the normal process of post-tenure evaluation as outlined in department, school/college, and university policies. (It is assumed that about one-fifth of each school's or college's faculty undergo post-tenure review each year.) Total adjustments (the central portion plus any school/college matching funds) should generally fall within a range between \$1,500 and a dollar amount equal to 5% of base salary.

Further guidance will be provided toward the end of the 2022-2023 academic year when these funds become available.

Faculty Promotion

For promotions effective in the 2023-2024 academic year, central campus will allocate \$450,000, representing the central campus contribution to be distributed in the fiscal year 2024. Consistent with past practice, these funds will be allocated proportional to your anticipated faculty promotions in the upcoming year. Further guidance will be provided.

One-Time Bonus Funds (\$7.5 Million)

Performance Bonus Fund (*faculty and staff*)

For 2022-23, the central campus will allocate \$7.5 million for one-time, lump-sum performance bonuses for faculty (\$2.5 million), academic and university staff, and limited appointees (\$5.0 million). The funding will be used to reward those who went above and beyond expectations. Funding will include employees paid on both 101 and non-101 funds.

Overarching HR and Budget Guidelines 2022-23 Centralized Pay Adjustment Funding

The following provides guidance for all compensation adjustments/bonuses under the centralized funding programs.

- Final authority for proposing adjustments is delegated to deans and directors.
- It is expected that deans/directors' offices will work closely with departments/units to determine who is eligible to receive these funds.
- Adjustments will be submitted centrally for processing as defined by OHR
- This includes providing justification and documentation to the Office of Human Resources (OHR).
- Further information about how to process these increases will be forthcoming from OHR.

Performance Bonuses- Can be processed immediately with the earliest effective date being July 3, 2022. **The deadline for spending the funds is December 31, 2022.**

Faculty Block Grant adjustments -

Base adjustments will be processed with an effective date of November 6, 2022. OHR will coordinate a mass upload of the rate changes for college/schools/divisions.

Discretionary Compensation Fund (DCF) base adjustments will be processed with an effective date of November 6, 2022. OHR will coordinate a mass upload of the rate changes for college/schools/divisions.

Salary Range Maximum - Individuals at or above the maximum of their pay range are not eligible for base adjustments. These individuals can receive a performance bonus lump sum.

Funding Split

- Only faculty and staff fully or partially funded on 101 funds can be considered for base-adjustments under these funding programs. When both 101 and non-101 funds underwrite a faculty or staff salary, the portion of the base adjustment borne by central campus will be the 101-share of the salary; increases from this program cannot change the funding split.
- Adjustments to salaries on non-101 funding must be made with non-101 funds.

Colleges, schools, and divisions must provide adjustments/bonuses on 101 funding of at least their allocated amount to receive their full 101-allocation for the program. Additional central campus funding will not be provided for 101 adjustments more than the allocation amount.

Employee Eligibility

The following employees are ineligible for adjustments under this funding program:

- Employees within their initial probationary period or evaluation period
- Rehired Annuitants
- Employees who have not completed the required UW-Madison Sexual Harassment Prevention or Cybersecurity training
- Supervisory staff who are not current with their employee performance evaluations
- Employees who are on a performance improvement plan or are deemed ineligible for the FY23 compensation exercise

Compensation Review Process (Sample Process)

The university is providing FY 2022-23 central funding to colleges, schools, and divisions to facilitate compensation adjustments and one-time performance bonuses. College X is excited to use this funding to address compensation issues including awarding faculty and staff bonuses for exceeding expectations.

College X will proceed with the following process for pay adjustments.

- Each department/center will receive a funding allocation (broken down by ongoing and one-time bonus funding) and a listing of eligible faculty and staff. The funding amounts will be based on the number of faculty and staff in the department/center.
- Faculty/supervisors will holistically review the contributions faculty and staff have made and advance recommendations (names, justifications for base-adjustments and one-time performance bonuses, and amounts) to the chair or director by [\(insert date\)](#). The below guiding principles will be used when recommending adjustments and/or bonuses.

[\(College inserts principles related to exceptional performance, achieving college initiatives, demonstrating college values, etc.\)](#)

- Chair/director will convene a small committee to review the recommendations and decide who should receive the pay adjustments and performance bonuses.
- Final list of faculty and staff receiving pay adjustments and performance bonuses will be forwarded to the Dean's Office by [\(insert date\)](#). Specifics of awardees will include name, justifications, and amounts. The aggregate adjustments and bonus amounts submitted cannot exceed the department or center allocation amount. However, there is the ability to exceed the funding if a department or center wants to use supplemental funds.

Some basic campus-wide parameters for the funding include:

- Faculty and staff must have completed their Sexual Harassment Prevention and Cybersecurity training to be eligible for increases.
- Supervisory staff must be current with their employee performance evaluations
- Employees cannot be on a probationary period or an evaluation period
- Rehired Annuitants are not eligible
- Employees are not eligible if there are documented performance issues
- This fund is not a substitute for promotions or base adjustments based on change in job duties/job titles. These adjustments should continue as appropriate outside of this funding source.

Pay adjustment/bonus programs fall under the campus [pay adjustment policy](#) (all provisions apply). If you have questions, please contact XXX.

Fund Allocations

Discretionary Compensation Fund (\$16 million)

Divisions	Fund Distribution
0110 - UNIVERSITY ADMIN	123,369
0160 - SECRETARY OF THE FACULTY	14,500
0170 - SECRETARY OF ACADEMIC STAFF	5,743
0205 - VP DIVERSITY AND CLIMATE PROG	169,905
0208 - VICE CHANCELLOR FINANCE&ADMIN	80,806
0210 - SHARED SERVICES	18,074
0215 - DATA MANAGE & ANALYSIS	35,223
0220 - OFFICE OF HUMAN RESOURCES	311,392
0224 - VC FOR UNIVERSITY RELATIONS	173,468
0225 - OFFICE OF STRATEGIC CONSULTING	42,863
0235 - CHAZEN MUSEUM	52,420
0267 - OFFICE OF LEGAL AFFAIRS	101,232
0280 - INSTRUCTIONAL SUPPORT	12,046
0297 - UW PRESS	19,525
03 - BUSINESS SERVICES	248,135
04 - STUDENT AFFAIRS	208,665
05 - ENROLLMENT MANAGEMENT	386,597
06 - INFORMATION TECHNOLOGY	1,097,857
07 - COLL OF AGRIC & LIFE SCIENCES	1,020,177
10 - INTERNATIONAL DIVISION	116,750
12 - WISCONSIN SCHOOL OF BUSINESS	576,577
17 - SCHOOL OF EDUCATION	520,186
18 - DIVISION OF THE ARTS	25,673
19 - COLLEGE OF ENGINEERING	634,045
27 - SCHOOL OF HUMAN ECOLOGY	161,134
34 - VC FOR RSRCH & GRAD EDUCATION	907,833
37 - DIV FOR TEACHING AND LEARNING	287,094
40 - G NELSON INST ENVIRONMENTAL ST	77,093
45 - LAW SCHOOL	283,864
46 - PUBLIC MEDIA	223,520
47 - EXTENSION	554,619
48 - COLLEGE OF LETTERS AND SCIENCE	2,254,121
49 - GENERAL LIBRARY	480,056
53 - SCH OF MEDICINE & PUBLIC HLTH	1,609,577

54 - SCHOOL OF NURSING		261,941
56 - SCHOOL OF PHARMACY		230,871
57 - UNIV HEALTH SERVICES		27,387
63 - OFFICER EDUCATION		6,893
71 - FACILITIES PLANNING AND MGMT		1,666,155
77 - UNIVERSITY POLICE DEPARTMENT		339,434
87 - SCHOOL OF VETERINARY MEDICINE		540,162
93 - DIVISION OF CONTINUING STUDIES		74,480
96 - WISCONSIN UNION		18,534
Total		16,000,000

Limited, Academic Staff, University Staff Bonuses (\$5 million)

Divisions		Fund Distribution
0110 - UNIVERSITY ADMIN		17,156
0160 - SECRETARY OF THE FACULTY		1,834
0170 - SECRETARY OF ACADEMIC STAFF		725
0201 - ADMINISTRATIVE TRANSFORMATION		17,256
0205 - VP DIVERSITY AND CLIMATE PROG		24,005
0208 - VICE CHANCELLOR FINANCE&ADMIN		10,297
0210 - SHARED SERVICES		2,299
0215 - DATA MANAGE & ANALYSIS		4,682
0220 - OFFICE OF HUMAN RESOURCES		39,438
0224 - VC FOR UNIVERSITY RELATIONS		26,808
0225 - OFFICE OF STRATEGIC CONSULTING		12,433
0235 - CHAZEN MUSEUM		8,032
0267 - OFFICE OF LEGAL AFFAIRS		12,897
0280 - INSTRUCTIONAL SUPPORT		1,511
0297 - UW PRESS		5,629
03 - BUSINESS SERVICES		40,027
04 - STUDENT AFFAIRS		33,825
05 - ENROLLMENT MANAGEMENT		63,145
06 - INFORMATION TECHNOLOGY		202,587
07 - COLL OF AGRIC & LIFE SCIENCES		256,192
10 - INTERNATIONAL DIVISION		37,267
12 - WISCONSIN SCHOOL OF BUSINESS		91,290
17 - SCHOOL OF EDUCATION		173,560
18 - DIVISION OF THE ARTS		3,231
19 - COLLEGE OF ENGINEERING		165,739

27 - SCHOOL OF HUMAN ECOLOGY		35,499
34 - VC FOR RSRCH & GRAD EDUCATION		374,400
37 - DIV FOR TEACHING AND LEARNING		37,385
40 - G NELSON INST ENVIRONMENTAL ST		17,001
42 - INTERCOLLEGIATE ATHLETICS		139,868
45 - LAW SCHOOL		41,426
46 - PUBLIC MEDIA		93,249
47 - EXTENSION		154,855
48 - COLLEGE OF LETTERS AND SCIENCE		451,194
49 - GENERAL LIBRARY		62,620
53 - SCH OF MEDICINE & PUBLIC HLTH		1,366,441
54 - SCHOOL OF NURSING		47,114
56 - SCHOOL OF PHARMACY		41,765
57 - UNIV HEALTH SERVICES		62,409
63 - OFFICER EDUCATION		863
71 - FACILITIES PLANNING AND MGMT		359,720
77 - UNIVERSITY POLICE DEPARTMENT		44,198
80 - UNIVERSITY REC & WELLBEING		13,498
85 - UNIVERSITY HOUSING		126,075
87 - SCHOOL OF VETERINARY MEDICINE		138,146
93 - DIVISION OF CONTINUING STUDIES		40,923
96 - WISCONSIN UNION		99,486
Total		5,000,000

Faculty Post Tenure Review (\$1 million)

Division		Fund Distribution
07 - COLL OF AGRIC & LIFE SCIENCES		109,500
07 - COLL OF AGRIC & LIFE SCIENCES [EXT]		18,743
12 - WISCONSIN SCHOOL OF BUSINESS		63,923
17 - SCHOOL OF EDUCATION		67,604
19 - COLLEGE OF ENGINEERING		96,491
27 - SCHOOL OF HUMAN ECOLOGY		15,819
27 - SCHOOL OF HUMAN ECOLOGY [EXT]		1,892
40 - G NELSON INST ENVIRONMENTAL ST		6,695
45 - LAW SCHOOL		13,133
47 - EXTENSION [EXT]		13,500
48 - COLLEGE OF LETTERS AND SCIENCE		448,337

48 - COLLEGE OF LETTERS AND SCIENCE [EXT]		2,175
53 - SCH OF MEDICINE & PUBLIC HLTH		103,841
54 - SCHOOL OF NURSING		3,406
56 - SCHOOL OF PHARMACY		11,426
87 - SCHOOL OF VETERINARY MEDICINE		21,663
93 - DIVISION OF CONTINUING STUDIES		1,853
Total		1,000,000

Faculty Block Grant (\$4 million)

Divisions		Fund Distribution
07 - COLL OF AGRIC & LIFE SCIENCES		374,085
07 - COLL OF AGRIC & LIFE SCIENCES [EXT]		55,104
12 - WISCONSIN SCHOOL OF BUSINESS		200,992
17 - SCHOOL OF EDUCATION		460,021
19 - COLLEGE OF ENGINEERING		500,005
27 - SCHOOL OF HUMAN ECOLOGY		89,316
27 - SCHOOL OF HUMAN ECOLOGY [EXT]		10,336
40 - G NELSON INST ENVIRONMENTAL ST		32,330
45 - LAW SCHOOL		167,888
48 - COLLEGE OF LETTERS AND SCIENCE		1,629,892
48 - COLLEGE OF LETTERS AND SCIENCE [EXT]		7,006
53 - SCH OF MEDICINE & PUBLIC HLTH		302,493
54 - SCHOOL OF NURSING		30,994
56 - SCHOOL OF PHARMACY		66,396
87 - SCHOOL OF VETERINARY MEDICINE		73,141
Total		4,000,000

Faculty Bonus (\$2.5 million)

Division		Fund Distribution
01 - GENERAL EDUCATIONAL ADMIN		3,596
05 - ENROLLMENT MANAGEMENT		494
07 - COLL OF AGRIC & LIFE SCIENCES		268,704

10 - INTERNATIONAL DIVISION		891
12 - WISCONSIN SCHOOL OF BUSINESS		129,871
17 - SCHOOL OF EDUCATION		146,000
18 - DIVISION OF THE ARTS		596
19 - COLLEGE OF ENGINEERING		231,751
27 - SCHOOL OF HUMAN ECOLOGY		34,350
34 - VC FOR RSRCH & GRAD EDUCATION		25,130
37 - DIV FOR TEACHING AND LEARNING		467
40 - G NELSON INST ENVIRONMENTAL ST		16,324
42 - INTERCOLLEGIATE ATHLETICS		430
45 - LAW SCHOOL		34,384
47 - EXTENSION		53,841
48 - COLLEGE OF LETTERS AND SCIENCE		897,665
53 - SCH OF MEDICINE & PUBLIC HLTH		541,993
54 - SCHOOL OF NURSING		17,242
56 - SCHOOL OF PHARMACY		30,413
87 - SCHOOL OF VETERINARY MEDICINE		59,147
93 - DIVISION OF CONTINUING STUDIES		6,709
Total		2,500,000