WISCONSIN
UNIVERSITY OF WISCONSIN–MADISON

DATE: March 8, 2024

TO: Deans, Directors, and Vice Chancellors

FROM: Charles Isbell, Provost and Vice Chancellor for Academic Affairs
Robert Cramer, Vice Chancellor for Finance and Administration

RE: Central Funds for Compensation Adjustments, 2023-24 Fiscal Year

University of Wisconsin–Madison leadership has approved a fiscal year 2023–2024 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 over $23.5 million to support schools, colleges, and divisions for recognizing and retaining faculty and staff, as well as to assist in addressing issues identified in the annual compensation analysis. 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. Base adjustment allocations are prorated in 2023-24 and fully funded in 2024-25 and thereafter.

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 all funds whether funded centrally or from within own funding allocations.
- Each school, college, and division will outline processes related to distribution/eligibility of funds and communicate it to employees. This is essential for promoting understanding and confidence in the compensation process.
- Units shall have the flexibility to target all base adjustments funds to areas of greatest need with the provision that decisions do not erode progress the university has made in recent years in raising faculty salaries closer to the top of peer rankings. Specifically, funds allocated to faculty can be shifted to staff, but funds allocated to staff cannot be shifted to faculty.

- Base adjustment timeframes are identified below.
- The central Office of Human Resources (OHR) will provide details about processing pay adjustments later.

Providing $23.5 million for compensation 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 2023-24 Pay Initiatives
- Performance and Retention Compensation for 2023–2024
- Overarching HR and Budget Guidelines for 2023-24 Pay Initiatives
- Sample Compensation Review Process for units
- Charts with 2023-24 Funding Allocations by school, college, and division
- Proration information for base adjustments during 2023-24

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: Jennifer Mnookin, Chancellor
Beth Meyerand, Office of the Provost
Natalie Feggestad, Madison Budget Office
Allison LaTarte, Data, Academic Planning, and Institutional Research
Patrick Sheehan, Office of Human Resources

2023-2024 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 ($13.5 million) *OHR will provide detailed guidance to campus HR representatives.*			
Pay Adjustment	Funding Allocated	Employee Category	Timeframe
Base-building Central Compensation Fund	$7.5 million	Academic staff University staff Limited appointee	Adjustments will be effective: 3/24/24 4/7/24 4/21/24 5/5/24
Compression/Parity*	$4.5 million		
Market/Competitive	$1.5 million		

** Considers performance, experience, and knowledge. Assess individual employee placements within salary ranges compared to others with the same title. OHR will work with campus HR representatives to assess parity issues across schools, colleges, and divisions.* For more information visit the *Pay Increases website.*

Faculty – Base Adjustments ($5.45 million) *Adjustments will be distributed through existing school and college processes.*		
Pay Adjustment	Funding Allocated	Timeframe
Recurring Faculty Block Grant	$4 million	Adjustments will be effective: 3/24/24 4/7/24 4/21/24 5/5/24
Faculty Post-Tenure Adjustments for Distribution in FY2025	$1 million	FY2025
Faculty Promotion	$450,000	FY2025

Faculty and Staff Bonus Funds ($5M) *Adjustments will be distributed through existing school and college processes.*			
Pay Adjustment	Funding Allocated	Employee Category	Timeframe
Faculty & Staff One-Time Bonus	$5 million	Academic Staff Faculty Limited Appointee University Staff	Payments no later than June 16, 2024

Staff-Base Adjustments

The following adjustments are available to support the university's compensation philosophy. The following adjustments are specific to University Staff, Academic Staff and Limited Appointees.

Faculty adjustments are listed in additional sections below.

Performance ($7.5M)

The campus is allocating $7.5M to recognize sustained performance that meets or exceeds established standards of a job for Academic Staff, University Staff and Limited employees. Employees must be up to date with Cybersecurity Awareness Training and Preventing Sexual Harassment and Sexual Violence training requirements to receive this base adjustment.

Market Competitive Adjustments ($1.5M)

For 2023-24, the central campus will allocate funds to aid in ongoing efforts in addressing employees' wages in relation to the relevant labor market, and in response to changing market conditions. The funding will be used to ensure UW–Madison continues to remain competitive as an employer and retains top talent in a highly competitive labor market environment.

Parity (and Compression) Adjustments ($4.5M)

Parity adjustments help ensure that appropriate and meaningful salary relationships for employees in the same title are maintained. Identified parity adjustments should be informed by the employees' relevant qualifications and compensable factors in reference to their base salary position within the respective salary range assignment.

Pay compression occurs when employees are in similar jobs but with different experiences and other relevant compensable characteristics, are paid similarly and in a manner which does not sufficiently recognize such differences in base compensation levels.

Faculty – Base Adjustments

Recurring Faculty Block Grant ($4M)

For 2023-24, the central campus will allocate funds of $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 ($1M)

For 2024-25, 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 fall within a range between $1,500 and a dollar amount equal to 5% of base salary.

Faculty Promotion ($450K)

Campus will provide funding for faculty promotions in accordance with past practice in which funding is provided for 50% of actual promotions funded on 101 using the October payroll snapshot. Madison Budget Office will notify divisions of their FY25 allocations when the transfers are processed.

One-Time Bonus Funds ($5M)

Performance Bonus Fund *(faculty and staff)*

For 2023-24, the central campus will allocate $5 million for one-time, lump-sum performance bonuses for faculty, academic and university staff, and limited appointees. Employees must be in Good Standing for Training and Performance to receive this payment. Funding will include employees paid on both 101 and non-101 funds.

Overarching HR and Budget Guidelines
2023-24 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
- There will need to be justification and documentation for all increases.
- Further information about how to process these increases will be forthcoming from OHR.

Staff Base Adjustments will be processed with an effective date between March 29, 2024, and May 5, 2024. OHR will coordinate a one-time mass upload of the rate changes for college/schools/divisions effective May 5, 2024.

Faculty Block Grant adjustments - Can be processed with the effective date between March 29, 2024, and May 5, 2024.

Performance Bonuses- Can be processed with the earliest effective date being March 29, 2024. The deadline for spending the funds is June 16, 2024.

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 first 6 months of a probationary period or evaluation period
- Post-Retirement Rehires not hired through an open recruitment
- Is not considered in good standing related to any position specific compliance requirements.
- Supervisory staff who are not current with their employee performance evaluations according to the divisional performance evaluation schedule
- Employees who are on a performance improvement plan or the most recent performance evaluation (annual or midpoint) dated on or after the previous fiscal year start date has an overall rating of “Not Meeting Expectations” or “Unsatisfactory.”

Compensation Review Process (Sample Process)

The university is providing FY 2023-24 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 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 guiding principles below 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.
- The 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 (encouraged).

  Some basic campus-wide parameters for the funding include:
- Faculty and staff must be in good standing with position specific compliance requirements.
- Supervisory staff must be current with their employee performance evaluations
- Employees cannot be on a probationary period or an evaluation period
- Post-Retirement Rehires not hired through an open recruitment
- 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

**Note: Actual dollars provided for FY24 will only be the amount needed to cover adjustments through the fiscal year. Full allocations will be added to the FY25 budget.*

Discretionary Compensation Fund ($13.5 million)

Divisions	Fund Distribution	FY24 Portion (4 Months)
0110 - UNIVERSITY ADMIN (MSN)	$ 76,015	$ 25,338
0124 - DATA, ACADEMIC PLANNING & INST (MSN)	$ 56,170	$ 18,723
0160 - SECRETARY OF THE FACULTY (MSN)	$ 11,290	$ 3,763
0170 - SECRETARY OF ACADEMIC STAFF (MSN)	$ 4,528	$ 1,509
0205 - VP DIVERSITY AND CLIMATE PROG (MSN)	$ 181,394	$ 60,465
0208 - VICE CHANCELLOR FINANCE&ADMIN (MSN)	$ 72,341	$ 24,114
0210 - SHARED SERVICES (MSN)	$ 11,753	$ 3,918
0220 - OFFICE OF HUMAN RESOURCES (MSN)	$ 377,667	$ 125,889
0223 - VC FOR UNIVERSITY RELATIONS (MSN)	$ 49,923	$ 16,641
0224 - VC FOR UNIVERSITY RELATIONS (MSN)	$ 92,599	$ 30,866
0225 - OFFICE OF STRATEGIC CONSULTING (MSN)	$ 41,968	$ 13,989
0235 - CHAZEN MUSEUM (MSN)	$ 49,525	$ 16,508
0267 - OFFICE OF LEGAL AFFAIRS (MSN)	$ 98,740	$ 32,913
0297 - UW PRESS (MSN)	$ 13,428	$ 4,476
03 - BUSINESS SERVICES (MSN)	$ 245,777	$ 81,926
04 - STUDENT AFFAIRS (MSN)	$ 180,939	$ 60,313
05 - ENROLLMENT MANAGEMENT (MSN)	$ 294,537	$ 98,179
06 - INFORMATION TECHNOLOGY (MSN)	$ 952,147	$ 317,382
07 - COLL OF AGRIC & LIFE SCIENCES (MSN)	$ 772,183	$ 257,394
10 - INTERNATIONAL DIVISION (MSN)	$ 93,624	$ 31,208
12 - WISCONSIN SCHOOL OF BUSINESS (MSN)	$ 503,367	$ 167,789
17 - SCHOOL OF EDUCATION (MSN)	$ 445,463	$ 148,488
18 - DIVISION OF THE ARTS (MSN)	$ 18,005	$ 6,002
19 - COLLEGE OF ENGINEERING (MSN)	$ 584,584	$ 194,861
27 - SCHOOL OF HUMAN ECOLOGY (MSN)	$ 161,056	$ 53,685
34 - VC FOR RSRCH & GRAD EDUCATION (MSN)	$ 734,649	$ 244,883
37 - DIV FOR TEACHING AND LEARNING (MSN)	$ 241,956	$ 80,652
40 - G NELSON INST ENVIRONMENTAL ST (MSN)	$ 70,674	$ 23,558
45 - LAW SCHOOL (MSN)	$ 226,573	$ 75,524
46 - PUBLIC MEDIA (MSN)	$ 167,273	$ 55,758
47 - EXTENSION (MSN)	$ 519,099	$ 173,033
48 - COLLEGE OF LETTERS AND SCIENCE (MSN)	$ 2,017,388	$ 672,463
49 - GENERAL LIBRARY (MSN)	$ 387,979	$ 129,326
53 - SCH OF MEDICINE & PUBLIC HLTH (MSN)	$ 1,271,949	$ 423,983

54 - SCHOOL OF NURSING (MSN)	$	214,414	$	71,471
56 - SCHOOL OF PHARMACY (MSN)	$	180,265	$	60,088
57 - UNIV HEALTH SERVICES (MSN)	$	22,913	$	7,638
63 - OFFICER EDUCATION (MSN)	$	5,301	$	1,767
71 - FACILITIES PLANNING AND MGMT (MSN)	$	1,107,013	$	369,004
77 - UNIVERSITY POLICE DEPARTMENT (MSN)	$	303,859	$	101,286
80 - UNIVERSITY REC & WELLBEING (MSN)	$	53,545	$	17,848
87 - SCHOOL OF VETERINARY MEDICINE (MSN)	$	496,021	$	165,340
93 - DIVISION OF CONTINUING STUDIES (MSN)	$	74,352	$	24,784
96 - WISCONSIN UNION (MSN)	$	15,754	$	4,494,749
Total	**$**	**13,500,000**	**$**	**4,500,000**

Faculty Block Grant ($4 million)

Divisions	**Fund Distribution**		**FY24 Portion (4 Months)**	
07 - COLL OF AGRIC & LIFE SCIENCES (MSN)	$	528,469	$	176,156
12 - WISCONSIN SCHOOL OF BUSINESS (MSN)	$	197,556	$	65,852
17 - SCHOOL OF EDUCATION (MSN)	$	216,112	$	72,037
19 - COLLEGE OF ENGINEERING (MSN)	$	499,454	$	166,485
27 - SCHOOL OF HUMAN ECOLOGY (MSN)	$	100,526	$	33,509
40 - G NELSON INST ENVIRONMENTAL ST (MSN)	$	60,962	$	20,321
45 - LAW SCHOOL (MSN)	$	213,304	$	71,101
48 - COLLEGE OF LETTERS AND SCIENCE (MSN)	$	1,689,700	$	563,233
53 - SCH OF MEDICINE & PUBLIC HLTH (MSN)	$	314,606	$	104,869
54 - SCHOOL OF NURSING (MSN)	$	46,937	$	15,646
56 - SCHOOL OF PHARMACY (MSN)	$	66,249	$	22,083
87 - SCHOOL OF VETERINARY MEDICINE (MSN)	$	66,125	$	22,042
Total	**$**	**4,000,000**	**$**	**1,333,333**

Faculty Post Tenure Review ($1 million)

Divisions	Fund Distribution	
07 - COLL OF AGRIC & LIFE SCIENCES (MSN)	$	114,954
12 - WISCONSIN SCHOOL OF BUSINESS (MSN)	$	64,949
17 - SCHOOL OF EDUCATION (MSN)	$	69,620
19 - COLLEGE OF ENGINEERING (MSN)	$	96,345
27 - SCHOOL OF HUMAN ECOLOGY (MSN)	$	21,198
40 - G NELSON INST ENVIRONMENTAL ST (MSN)	$	7,579
45 - LAW SCHOOL (MSN)	$	17,683
47 - EXTENSION (MSN)	$	10,569
48 - COLLEGE OF LETTERS AND SCIENCE (MSN)	$	451,864
53 - SCH OF MEDICINE & PUBLIC HLTH (MSN)	$	103,896
54 - SCHOOL OF NURSING (MSN)	$	5,142
56 - SCHOOL OF PHARMACY (MSN)	$	13,886
87 - SCHOOL OF VETERINARY MEDICINE (MSN)	$	21,700
93 - DIVISION OF CONTINUING STUDIES (MSN)	$	615
Total	**$**	**1,000,000**

Performance Bonus Fund -Faculty & Staff ($5 million)

Divisions	Fund Distribution	
0110 - UNIVERSITY ADMIN (MSN)	$	12,511
0124 - DATA, ACADEMIC PLANNING & INST (MSN)	$	8,591
0160 - SECRETARY OF THE FACULTY (MSN)	$	1,691
0170 - SECRETARY OF ACADEMIC STAFF (MSN)	$	678
0205 - VP DIVERSITY AND CLIMATE PROG (MSN)	$	29,059
0208 - VICE CHANCELLOR FINANCE&ADMIN (MSN)	$	10,912
0210 - SHARED SERVICES (MSN)	$	1,761
0211 - ADMIN INNOVATION & PLANNING (MSN)	$	8,264
0220 - OFFICE OF HUMAN RESOURCES (MSN)	$	56,387
0223 - VC FOR UNIVERSITY RELATIONS (MSN)	$	9,506
0224 - VC FOR UNIVERSITY RELATIONS (MSN)	$	17,544
0225 - OFFICE OF STRATEGIC CONSULTING (MSN)	$	18,135
0235 - CHAZEN MUSEUM (MSN)	$	8,162
0267 - OFFICE OF LEGAL AFFAIRS (MSN)	$	14,877
0295 - UNIVERSITY RESEARCH PARK (MSN)	$	4,498
0297 - UW PRESS (MSN)	$	5,626
03 - BUSINESS SERVICES (MSN)	$	43,783
04 - STUDENT AFFAIRS (MSN)	$	33,931
05 - ENROLLMENT MANAGEMENT (MSN)	$	65,734
06 - INFORMATION TECHNOLOGY (MSN)	$	201,913

07 - COLL OF AGRIC & LIFE SCIENCES (MSN)	$	249,915
10 - INTERNATIONAL DIVISION (MSN)	$	41,047
12 - WISCONSIN SCHOOL OF BUSINESS (MSN)	$	101,254
17 - SCHOOL OF EDUCATION (MSN)	$	184,364
18 - DIVISION OF THE ARTS (MSN)	$	2,686
19 - COLLEGE OF ENGINEERING (MSN)	$	166,923
27 - SCHOOL OF HUMAN ECOLOGY (MSN)	$	33,773
34 - VC FOR RSRCH & GRAD EDUCATION (MSN)	$	359,225
37 - DIV FOR TEACHING AND LEARNING (MSN)	$	40,067
40 - G NELSON INST ENVIRONMENTAL ST (MSN)	$	19,868
42 - INTERCOLLEGIATE ATHLETICS (MSN)	$	142,950
45 - LAW SCHOOL (MSN)	$	39,335
46 - PUBLIC MEDIA (MSN)	$	87,170
47 - EXTENSION (MSN)	$	180,909
48 - COLLEGE OF LETTERS AND SCIENCE (MSN)	$	458,644
49 - GENERAL LIBRARY (MSN)	$	59,560
53 - SCH OF MEDICINE & PUBLIC HLTH (MSN)	$	1,349,506
54 - SCHOOL OF NURSING (MSN)	$	41,503
56 - SCHOOL OF PHARMACY (MSN)	$	40,792
57 - UNIV HEALTH SERVICES (MSN)	$	66,274
63 - OFFICER EDUCATION (MSN)	$	786
71 - FACILITIES PLANNING AND MGMT (MSN)	$	302,754
77 - UNIVERSITY POLICE DEPARTMENT (MSN)	$	46,913
80 - UNIVERSITY REC & WELLBEING (MSN)	$	25,062
85 - UNIVERSITY HOUSING (MSN)	$	123,142
87 - SCHOOL OF VETERINARY MEDICINE (MSN)	$	138,107
93 - DIVISION OF CONTINUING STUDIES (MSN)	$	43,228
96 - WISCONSIN UNION (MSN)	$	100,680
Total	**$**	**5,000,000**