

Michael V. Drake, MD President April 4, 2024

Office of the President 1111 Franklin St. Oakland, CA 94607

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DIVISION OF AGRICULTURE AND NATURAL RESOURCES

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LABORATORY DIRECTOR WITHERELL
VICE PRESIDENT HUMISTON

Dear Colleagues:

I am writing to confirm that we have decided to proceed with a 2024-25 salary program for policy-covered staff employees and academic appointees. As discussed, we are implementing a salary increase budget of 4.2 percent for policy-covered staff and academic appointees at all locations. Please note, this salary program is contingent on the outcome of the State budget allocation. In the event the current budget expectations are significantly altered, I will provide an updated announcement at that time.

For policy-covered staff employees, salary increases will be implemented as a general increase, where all eligible policy-covered staff employees would receive a 4.2 percent increase to their base salary. Although this year's salary program for policy-covered staff is not a merit program where performance is a consideration related to the salary increase amount, the importance of the annual performance review process should not be discounted. All policy-covered staff employees should continue to receive, at least annually, a performance review per policy.

For policy-covered academic appointees, the academic salary scales will be increased by a general range adjustment of 4.2 percent. The adjustment to the academic salary scales will be effective October 1, 2024, for policy-covered faculty and July 1, 2024, for other policy-covered academic appointees. The regular peer-review merit advancement process for policy-covered academic appointees will continue per academic personnel policy.

Excluded from this program are staff employees and academics appointees who are represented by our various unions as their wages are governed by collective bargaining unit agreements.

I recommend that each of you announce the details of the program specific to your respective locations. Systemwide administrative guidelines noting flexibility and best practices for implementing the 2024-25 general salary increase program are attached for policy-covered staff employees and academic appointees.

Let me know how I can support you and your locations as you move forward with this important program.

Page 2 Sincerely,

Michael V. Drake, MD

President

Enclosures

cc: Provost and Executive Vice President Newman

Executive Vice President and Chief Operating Officer Nava

Chief of Staff Kao Division Leaders Vice Provost Haynes Vice President Lloyd

Academic Council Chair Steintrager Executive Vice Chancellors/Provosts

2024-25 UC Systemwide Salary Program Administrative Guidelines*

Areas of Flexibility, Salary Program Guidance and Best Practices

Staff Employees*

General salary increase program of a 4.2% increase for policy covered staff employees:

You have flexibility in the timing and administration of the budget along with establishing any additional program parameters or criteria that best suit your campus/local needs.

If implemented at the beginning of the fiscal year, increases should be effective July 1, 2024 for monthly and June 23, 2024 for bi-weekly paid employees (June 23, 2024 is the first designated bi-weekly pay period for fiscal year 2024-25.)

This program is designed to apply to policy covered staff career employees. Chancellors have discretion to determine eligibility for policy covered staff employees who hold limited or floater/per diem or student appointments and for employees in contract appointments, based on the provisions of the employee's contract.

We recommend that you consider excluding individuals for whom the most recent performance review was unsatisfactory, particularly if that individual is being considered for termination or suspension. Increases for employees in this situation are at the discretion of the Chancellor.

We recommend that in order to receive the general salary increase, employees should have at least six months of service and/or have completed their probationary period, where applicable. However, each location has the discretion to determine cut off and/or proration dates related to eligibility.

You should also, as part of your compensation communications, take note of your total compensation spend and budget for other types of increases that typically come in the form of promotions, equity adjustments, and/or market adjustments as allowed by UC policy.

Non-SMG policy covered staff whose total cash compensation exceeds the current Indexed Compensation Level of \$387,700 that require Presidential approval and Level One/Level Two SMG members are eligible to participate in the same program with the same timing as other policy covered staff. However, these populations will require submission of the proposed general salary increases to the Systemwide HR/Executive Compensation unit to procure the appropriate level of approval from the President and/or Regents as required by policy.

Policy Covered employees will receive at least a 4.2% increase through SB 525 and/or the Policy Covered Increase. Those employees that did not receive an increase or increase less than 4.2% related to SB 525 will receive the balance through Policy Covered Increase.

^{*} These guidelines cover UC campuses, health systems, Office of the President, and UC ANR. Lawrence Berkeley National Lab (LBNL) will administer its program based on the parameters as approved by the Department of Energy for LBNL's 2024 salary program effective October 1, 2024 and will seek Presidential/Regental approval as noted above for its Level One and Level Two SMG members.

2025-25 Academic Salary Program

Overview of the 2024-25 Program

- The overall salary scales for policy-covered academic appointees will be raised by 4.2% and will include modest smoothing to the scales to continue consistent increments between steps.
- The annual academic merit review process to determine reappointments, as well as adjustments in rank and step will continue.
- No systematic adjustment to off-scale salaries is mandated. Above-scale salaries will be increased in a manner consistent with campus guidelines.
- In line with established processes, the effective date is July 1, 2024 or October 1, 2024 depending on the academic appointee group or effective the first pay period commencing thereafter for biweekly paid appointees. The faculty general range adjustment will be effective October 1, 2024.

Other non-represented academic appointees

• The scales for policy covered non-faculty academic appointees (which includes policy-covered librarians and academic researchers) will be increased by a general range adjustment of 4.2% on July 1, 2024 for monthly paid or July 7, 2024 (the first pay period commencing after July 1, 2024) for biweekly paid academic appointees (the precise amount will vary due to rounding). Scales with ranges will be increased in a similar fashion.

Individual Salary Adjustments: Faculty Administrators and NSTP

- Deans and other full-time faculty administrators will be eligible for up to a 4.2% increase to be awarded for meritorious performance as determined at the campus level, effective July 1, 2024.
- Academic titles not tied to systemwide salary scales or ranges will be eligible for an increase up to 4.2% as determined at the campus level, effective July 1, 2024.
- Faculty participating in the Negotiated Salary Trial Program (NSTP) for 2024-25 should negotiate their salaries assuming the 4.2% general range adjustment and any campus-based adjustment for off-scale increments and above-scale salaries, all effective on October 1, 2024.

The salary scales for policy covered non-physician clinical trainees, clinical psychology interns, and dental residents, pursuant to SB 525, will be adjusted to the SB 525 minimum wage (\$23/hr for non-exempt and \$71,760 for exempt) on June 1, 2024. On July 1, 2024, the salary scales for the policy covered non-physician clinical trainees, clinical psychology interns, and dental residents will be adjusted to the June 1, 2025 SB 525 minimum wage (\$24/hr for non-exempt and \$74,880 for exempt), in order to align with the regular July 1 academic salary program for policy covered non-faculty academic appointees moving forward.