

ACTION ITEM

Priority: **Urgent**

Comments requested by: September 21, 2007

September 12, 2007

MANAGEMENT and NON-REPRESENTED EMPLOYEES

Re: Policy-Covered Staff Salary Plan (Fiscal Year 2007-2008)

We are pleased to provide you with information regarding the 2007-08 salary plan for non-represented employees covered by Personnel Policies for Staff Members (PPSM)<sup>1</sup>. Please note that salary actions for PPSM staff are subject to notice and employee comment. The program will not be final until we have considered employee comments. Therefore, this is a request for comments.

The University's approved budget provides for an increase in the 2007-08 compensation package, including merit-based and equity-based salary increases, health and welfare benefit cost increases, and related cost increases. The following information outlines which portion of the fund allocation is to be used for 2007-08 salary increases.

A. PPSM Employees

Merit-based Pay Program

The 2007-08 Merit Program is performance-based for all Manager and Senior Professional (MSP) and Professional and Support Staff (PSS) employees. Details specific to the UCSC Merit Program for PSS and MSP employees may be reviewed at [http://shr.ucsc.edu/announce/comp/2007-08\\_merit.htm](http://shr.ucsc.edu/announce/comp/2007-08_merit.htm).

A merit fund pool of 4% will be established effective October 1, 2007. The merit fund pool available for merit increases is 4.0 percent of eligible payroll and establishes what is called the control figure (i.e., divisions must balance to a 4% control figure, or 4% of the division's eligible payroll).

This merit program applies to PSS and MSP employees across all fund sources. Funds for the 2007-08 merits for budgeted state-funded staff will be allocated by Planning and Budget to the principal officers and administrative officers for distribution to eligible PSS and MSP employees in their respective areas. Merits for staff paid on non-state and non-budgeted state funds must be covered by the respective division.

Merit increases will be reflected in November 1, 2007 paychecks.

Performance Appraisals

A performance management initiative was implemented in 2006-07 for all campus employees. Written performance appraisals should be completed for each career employee. The deadline to submit performance appraisals was August 15, 2007.

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<sup>1</sup> Salaries for represented employees are governed by collective bargaining agreements.

### Salary Structure Adjustments

PSS and MSP salary grades will be adjusted by 2% at the minimum and 4% at the maximum, effective October 1, 2007. The salary grades may be viewed at [http://shr.ucsc.edu/topics/comp-class/salary/99-sal\\_pss-and-msp.htm](http://shr.ucsc.edu/topics/comp-class/salary/99-sal_pss-and-msp.htm) .

### Market Lags and Equity Compensation Funding

The fund pool for increases to address market lags and equity issues is 1%, effective October 1, 2007. The Planning and Budget Office will allocate and facilitate the transfer of funds based on the 2007-08 program plan. The final Salary Equity program and funding information will be provided at a later date. It is expected that non-State funded operations will provide equivalent funding for the same purposes.

### Staff Recognition and Development Program (SRDP)

The proposed fund pool for 2007-08 SRDP for policy-covered (non-represented) employees is 0.89%. A work group will be established in late Fall to develop and recommend a campus program.

### B. Exclusively Represented Employees

Salary increases for represented employees are subject to the terms of existing collective bargaining agreements and/or to meeting and conferring in accordance with the Higher Education Employer-Employee Relations Act (HEERA), as appropriate.

If you have any questions or comments, please contact your Senior HR Partner. Contact information is available at ([http://shr.ucsc.edu/hrst/hrst\\_locate-team.htm](http://shr.ucsc.edu/hrst/hrst_locate-team.htm)) .

cc: Vice Chancellor Vani  
Senior Manager Allison  
Senior Manager Purcell  
Senior HR Partners