

SANTA BARBARA • SANTA CRUZ

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February 3, 2014

CHANCELLORS

Dear Colleagues:

Based on the attached recommendation and analysis from the Systemwide Human Resources Group, specifically Compensation Programs and Strategy, I am directing you to move forward with plans to administer a 3 percent salary increase program for non-represented staff.

As you know, the Office of Budget and Capital Planning last year and this year have advised your budget offices to plan for a 3 percent salary increase for staff. This 3 percent guidance has also generally been applied to our collective bargaining process.

This salary increase targets all non-represented staff excluding student employees and anyone covered by Academic Personnel Policies. You have the flexibility to decide whether to apply individual increases on the basis of merit, in which case the overall dollar amount of the increases must not exceed 3 percent of the total salaries of the covered staff, or to apply an across the board approach at your locations. The 3 percent increase is calculated assuming a July 1, 2014 effective date.

The implementation of the 3 percent salary increase program for non-represented staff maintains equity in our approach to our various employee groups. It also establishes more consistency and stability in our pay practices. This ultimately leads to more engaged employees and maintains the University's competitive position for talent.

Yours very truly,

Janet Napolitano

President