



1111 Franklin Street
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<http://www.ucop.edu>

June 26, 2019

CHANCELLORS

Dear Colleagues:

Based on the recommendation of the Systemwide Human Resources, specifically Compensation Programs and Strategy, I am directing you to move forward with plans to administer a 3 percent budget in relation to the salary program for non-represented staff for fiscal year 2019-20. This program targets all policy-covered staff in career or partial year career appointments. It excludes student employees and anyone covered by Academic Personnel Policies, or a union contract.

Salary increases under this program will be merit-based and linked directly to the individual's performance and contribution. Feedback from prior engagement surveys urged us to make pay for performance a more prominent feature in our salary programs. This is difficult to achieve when everyone receives the same increase in compensation regardless of their contribution. Managers are responsible for conducting a fair process with appropriate distribution of merit awards recognizing the strongest contributors. A grid that provides differentiation guidance is attached to this letter. It also outlines areas of flexibility for your organization and offers advice on other best practices related to linking pay to performance, consistent with our philosophy.

Predictable pay practices consistently based on performance engage employees, maintain the University's competitive position for talent, and help build a high-performing organization, where staff feel that they can excel and are rewarded for their contributions. There are a number of resources available to your organization to assist you in this important aspect of people management. As a resource and reminder, modules on people management and specific training covering best practices are available via the LMS under the People Management Certificate Training: (<http://ucnet.universityofcalifornia.edu/working-at-uc/your-career/talent-management/people-management-series-and-certificate/index.html>).

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

Yours very truly,

A handwritten signature in black ink, appearing to read "Janet Napolitano". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Janet Napolitano
President

Attachment

cc: Division Leaders
Vice President Duckett
Chief of Staff Henderson