



# MERIT PROGRAM TRAINING

## PART I

UCSB HUMAN RESOURCES – JULY 2018

REVISED 7/30/18



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# MERIT PROGRAM WEB PAGE



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### MERIT PROGRAM

\*\*\* The following information is applicable to eligible policy-covered (non-represented) staff of the University \*\*\*

▶ Merit Program Information and Guidelines

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<https://www.hr.ucsb.edu/compensation/salary-increase-programs>



# UPDATE ON MERIT PROGRAM

- PRESIDENT NAPOLITANO HAS ANNOUNCED A MERIT PROGRAM FOR 2018
- CHANCELLOR ANNOUNCEMENT TO CAMPUS WAS SENT JULY 27, 2018
- HR PROGRAM GUIDELINES AND IMPLEMENTATION PLANS WILL BE SENT OUT THE WEEK OF JULY 30, 2018 AND POSTED ON THE HR MERIT PROGRAM WEB SITE
- PLANS FOR THIS YEAR'S PROGRAM ARE VERY SIMILAR TO LAST YEAR



# PREPARATION FOR THE MERIT PROGRAM

- COMPLETE A WRITTEN PERFORMANCE EVALUATION
  - MUST BE COMPLETED WITHIN 12 MONTHS PRIOR TO THE START OF MERIT INCREASE PROCESS
  - PPSM 23, PERFORMANCE MANAGEMENT, STIPULATES THAT EVERY POLICY COVERED EMPLOYEE BE APPRAISED AT LEAST ANNUALLY IN WRITING BY THE SUPERVISOR
  - IF NO EVALUATION COMPLETED, DEPARTMENT IS OUT OF COMPLIANCE WITH POLICY AND MERIT INCREASE DECISIONS GET ESCALATED TO VC/EVC OF DIVISION
- PERFORMANCE EVALUATIONS FOR POOR PERFORMERS
  - PLEASE CONSULT WITH EMPLOYEE & LABOR RELATIONS ON ANY PERFORMANCE EVALUATIONS WITH A “CONSISTENTLY BELOW EXPECTATIONS” RATING PRIOR TO COMMUNICATING THE EVALUATION TO THE EMPLOYEE
- COMPLETE MANDATORY TRAINING REQUIREMENTS
  - EXAMPLES: UC CYBER SECURITY AWARENESS FOR ALL EMPLOYEES, SEXUAL HARASSMENT PREVENTION TRAINING FOR SUPERVISORS, ETC.





# PREPARATION FOR THE MERIT PROGRAM

- REVIEW AND UPDATE THE APPOINTMENT DETAILS IN PPS FOR EACH EMPLOYEE TO ENSURE THAT:
  - AT LEAST ONE DISTRIBUTION ENDS ON OR AFTER MERIT EFFECTIVE DATE
  - NEXT SALARY REVIEW DATE IS EFFECTIVE DATE OF MERIT OR EARLIER
  - APPOINTMENT TYPE IS 2 (CAREER) OR 7 (PARTIAL YEAR CAREER)
  - SALARY GRADE IS CORRECT AND NOT BLANK
  - EMPLOYEE RELATIONS CODE IS ACCURATE



# PERFORMANCE EVALUATION FORM

- USE THE NEWEST PERFORMANCE EVALUATION FORM, CREATED IN 2013, AND RECENTLY REVISED IN 2017
- LOCATED ON HR WEB SITE AT [HTTPS://WWW.HR.UCSB.EDU/MANAGERS-SUPERVISORS/PERFORMANCE-EVALUATIONS](https://www.hr.ucsb.edu/managers-supervisors/performance-evaluations)
- OLD “CORE EVALUATION” FORM IS USED ONLY FOR REPRESENTED EMPLOYEES
- ELECTRONIC SUBMISSION OF PERFORMANCE EVALUATIONS WILL BE REQUIRED AGAIN
  - DUE FRIDAY, AUGUST 31, 2018

## Performance Evaluation Form

UCSB PERFORMANCE EVALUATION		
<b>SECTION ONE: EMPLOYEE INFORMATION</b>		
Employee Name	Department	Division
Payroll Title (Class)	Supervisor's Name	Supervisor's Title
Period Covered By This Evaluation (dates) - From: _____ To: _____		Date of Last Evaluation: _____
Length of Time in Position(Check one): <input type="checkbox"/> 6-month Probationary Review <input type="checkbox"/> 0-1 year <input type="checkbox"/> 1-5 years <input type="checkbox"/> 5+ years		
<b>SECTION TWO: EVALUATION OF UC CORE COMPETENCIES</b>		
DEMONSTRATED UC CORE COMPETENCIES <sup>^</sup> (Select the competencies most critical to the position responsibilities and/or goals*)	COMMENTS AND EXAMPLES OF UC CORE COMPETENCIES DEMONSTRATED AND THOSE NEEDING DEVELOPMENT	
Choose an item.		
Choose an item.		
Choose an item.		
Choose an item.		
Choose an item.		

\* If additional rows are needed, please insert them above.  
^ The complete list of the UC Core Competencies is displayed on page 5 of this form.



# MERIT PROGRAM – PAY FOR PERFORMANCE

- SHIFT FROM ACROSS-THE-BOARD TO PERFORMANCE/MERIT BASED
  - EMPLOYEE FEEDBACK FROM THE ENGAGEMENT SURVEY URGED US TO MAKE PAY FOR PERFORMANCE A MORE PROMINENT FEATURE IN OUR SALARY PROGRAMS
  - RECOGNIZING AND REWARDING OUTSTANDING PERFORMANCE AND DIFFERENTIATED PAY INCREASES BASED ON EMPLOYEES' ACCOMPLISHMENTS WILL HELP MOTIVATE PEOPLE TO ACHIEVE SUPERIOR RESULTS
  - SUPERIOR PERFORMANCE IS DIFFICULT TO ACHIEVE WHEN EVERYONE RECEIVES THE SAME INCREASE IN COMPENSATION REGARDLESS OF THEIR CONTRIBUTION





# MERIT PROGRAM – PAY FOR PERFORMANCE

- SHIFT FROM ACROSS-THE-BOARD TO PERFORMANCE/MERIT BASED (CON'T)
  - WITH PROPER DISTRIBUTION OF PERFORMANCE RATINGS, MANAGERS CAN DIFFERENTIATE MERIT AWARDS AND APPROPRIATELY RECOGNIZE THE STRONGEST CONTRIBUTORS
  - PREDICTABLE PAY PRACTICES THAT ARE BASED ON PERFORMANCE:
    - ENGAGE EMPLOYEES
    - MAINTAIN THE UNIVERSITY'S COMPETITIVE POSITION FOR TALENT
    - HELPS BUILD AN EVEN HIGHER PERFORMING ORGANIZATION WHERE STAFF FEEL THEY CAN EXCEED



# MERIT EFFECTIVE DATES

- MONTHLY PAID EMPLOYEES = JULY 1, 2018
  - SALARY INCREASE TO BE REFLECTED IN AUGUST 31ST PAYCHECK
- BI-WEEKLY PAID EMPLOYEES = JULY 1, 2018
  - SALARY INCREASE TO BE REFLECTED IN AUGUST 22<sup>ND</sup> PAYCHECK



# MERIT BUDGET = 3%

- MERIT FUND POOL / BUDGET
  - BUDGET DETERMINED BY OFFICE OF THE PRESIDENT
  - MERIT FUND POOL IS A % CALCULATION OF THE PAYROLL BASE OF CAREER, NON-REPRESENTED STAFF, AS IDENTIFIED ON THE WEB MERIT ROSTER
    - THE SUM OF ALL SALARY INCREASES MUST NOT EXCEED THE MERIT FUND POOL



# FUNDING FOR THE MERIT INCREASE

- THE DEPARTMENT IS RESPONSIBLE TO COVER MERIT INCREASES FOR:
  - NON-CORE FUNDED POSITIONS
- THE FUND SOURCE(S) USED FOR THE MERIT INCREASE SHOULD BE THE SAME FUND SOURCE(S) FROM WHICH THE EMPLOYEE IS CURRENTLY PAID

*SPECIFIC QUESTIONS CONCERNING CENTRAL FUNDING FOR POSITIONS SHOULD BE DIRECTED TO SANDRA PEREZ, ASSISTANT BUDGET DIRECTOR ([SANDRA.PEREZ@UCSB.EDU](mailto:SANDRA.PEREZ@UCSB.EDU)(LINK SENDS E-MAIL), PHONE EXTENSION 4052).*



# MERIT ELIGIBILITY

- **MERIT PROGRAM ELIGIBILITY**
  - **PSS AND MSP STAFF ARE ELIGIBLE IF:**
    - APPOINTED TO A CAREER POSITION ON OR BEFORE TUESDAY, JANUARY 2, 2018; AND
    - ON PAY STATUS OR APPROVED LEAVE ON JULY 1, 2018 FOR BOTH MONTHLY PAID AND BI-WEEKLY PAID EMPLOYEES
  - TRANSFERS FROM ANOTHER UC LOCATION ARE ELIGIBLE ASSUMING NO BREAK IN SERVICE AND THE ABOVE ELIGIBILITY CRITERIA IS MET





# MERIT ELIGIBILITY

- EXCLUDED FROM THE PROGRAM ARE:
  - POLICY-COVERED (NON-REPRESENTED) PSS AND MSP STAFF IN LIMITED, CONTRACT, OR PER-DIEM APPOINTMENTS
  - STUDENT EMPLOYEES IN CASUAL-RESTRICTED APPOINTMENTS
  - EMPLOYEES COVERED UNDER COLLECTIVE BARGAINING AGREEMENTS
  - EMPLOYEES WHO SEPARATE FROM THE UNIVERSITY, WITH OR WITHOUT NOTICE, BEFORE THE PAYOUT DATE OF THE INCREASE



# MERIT PROGRAM PRINCIPLES

- DISTRIBUTION OF MERIT INCREASES:
  - ACROSS THE BOARD INCREASES, WITHOUT REGARD TO PERFORMANCE, ARE NOT PERMITTED
  - EACH DEPARTMENT/DIVISION SHOULD USE A CONSISTENT METHOD IN DETERMINING INDIVIDUAL MERIT INCREASES
  - PRO-RATION OF MERIT INCREASES IS ACCEPTABLE FOR SITUATIONS IN WHICH AN EQUITY, RECLASSIFICATION, OR PROMOTIONAL INCREASE WAS GRANTED IN THE PRIOR 12 MONTHS, OR IF HIRED WITHIN THE PAST 12 MONTHS
  - MERIT DECISIONS CONCERNING INDIVIDUALS WHO HAVE NOT RECEIVED A PERFORMANCE EVALUATION MUST BE MADE BY THE VC/EVC OF THE DIVISION
  - THE MAXIMUM PERMISSIBLE INCREASE IS CAPPED AT 5% (STILL HAVE TO BALANCE TO MERIT FUND POOL)



# MERIT PROGRAM PRINCIPLES

- THE MERIT MATRIX SHOWN BELOW IS A SUGGESTED APPROACH IN ALLOCATING MERIT INCREASES AND IT ASSUMES THAT YOU HAVE A STANDARD DISTRIBUTION OF EMPLOYEES ACROSS PERFORMANCE RATINGS:

5%	5%	80%	10%	
Consistently Below Expectations	Improvement Needed	Fully Meets Expectations / Solid Performance	Exceeds Expectations	Exceptional
1 Empl	1 Empl	16 Empls	2 Empls	0 Empls
0% - 1%		2% - 3%	3% - 5%	

Standard Distribution of Employees Across Ratings

Range of Merit Increases 0% - 5%

- THIS TYPE OF DISTRIBUTION WOULD ALLOW EXTRA FUNDS IN THE POOL TO SPEND ON EMPLOYEES WITH HIGHER RATINGS
- THIS CHART ASSUMES THAT ALL EMPLOYEES ARE PAID FROM THE SAME FUND SOURCE

**NOTE: EACH DIVISION HAS THE FLEXIBILITY TO ESTABLISH AN INTERNAL PROCESS TO ALLOW FOR CALIBRATION OF PERFORMANCE RATINGS AND MERIT INCREASES AND TO ADMINISTER THEIR INTERNAL PROCESS IN THE MANNER THAT IS MOST EFFECTIVE FOR THEM.**



# “MERIT PREPARATION” REPORT

## (DATA WAREHOUSE / EZ ACCESS)

- REPORT OF EMPLOYEE DATA BY DEPARTMENT
- FILTERED TO ONLY INCLUDE NON-REP EMPLOYEES
- INCLUDES DATA FIELDS THAT CAN BE USED TO PLAN FOR MERIT INCREASES:
  - TYPE OF FUNDING (CORE/NON-CORE)
  - CURRENT ANNUALIZED SALARY
  - PERCENTAGE OF FULL TIME
  - ERIT PROGRAM PARTICIPATION
  - MOST RECENT HIRE DATE
  - APPT BEGIN/END DATE
- USE FOR COSTING OUT VARIOUS MERIT INCREASE SCENARIOS
  - EXPORT TO EXCEL, ADD SOME CALCULATION FIELDS, DETERMINE ELIGIBILITY, AND VOILA!
- “MERIT PREPARATION” REPORT LOCATED IN DATA WAREHOUSE/EZ ACCESS, UNDER “EMPLOYEE” REPORTS







# EMPLOYEE NOTIFICATION

- MERIT NOTIFICATION TO EMPLOYEES
  - ELIGIBLE NON-REPRESENTED STAFF SHOULD BE INFORMED OF THEIR MERIT INCREASE *AFTER* FINAL APPROVAL BY THE DIVISIONAL CONTROL POINTS
- HARD COPY LETTER OR EMAIL IS ACCEPTABLE
  - TEMPLATES ON HR MERIT PROGRAM WEBPAGE LOCATED AT [HTTPS://WWW.HR.UCSB.EDU/COMPENSATION/SALARY-INCREASE-PROGRAMS/MERIT-PROGRAM-POLICY-COVERED](https://www.hr.ucsb.edu/compensation/salary-increase-programs/merit-program-policy-covered)





# IMPLEMENTATION OF MERIT INCREASES

- FORMAL MERIT PROGRAM ANNOUNCEMENT SENT FROM CHANCELLOR JULY 27, 2018
- FORMAL MERIT PROGRAM GUIDELINES FORTHCOMING FROM HUMAN RESOURCES
- FORMAL MERIT PROGRAM INSTRUCTIONS ON HOW AND WHEN TO IMPLEMENT FORTHCOMING FROM HUMAN RESOURCES

***WEB MERIT INSTRUCTIONS COMING UP NEXT!!***



# FAQS & CONTACTS

- FAQS – LOCATED ON THE MERIT PROGRAM WEB PAGE:
  - [HTTPS://WWW.HR.UCSB.EDU/COMPENSATION/SALARY-INCREASE-PROGRAMS/MERIT-PROGRAM-POLICY-COVERED](https://www.hr.ucsb.edu/compensation/salary-increase-programs/merit-program-policy-covered)
- CONTACTS:
  - AMY ARNOLD, SENIOR COMPENSATION ANALYST
    - [AMY.ARNOLD@HR.UCSB.EDU](mailto:AMY.ARNOLD@HR.UCSB.EDU) OR EXT 4068
  - KATHY MOORE, COMPENSATION MANAGER
    - [KATHY.MOORE@HR.UCSB.EDU](mailto:KATHY.MOORE@HR.UCSB.EDU) OR EXT 7137