2014-15 NON-REPRESENTED STAFF SALARY PROGRAM/ CALL FOR PERFORMANCE APPRAISALS JULY 1, 2013-JUNE 30, 2014

Salary Program
The 2014-15 salary program is a 3% salary program for non-represented career staff. Individual employee’s increases will vary due to the Salary Program Parameters listed below. The current PSS and MSP salary ranges for the open range titles will be adjusted by 3% to keep pace with labor market changes. Step-based titles, because the value of each step changes with a range adjustment, will be adjusted as part of the program as outlined below.

General Eligibility Requirements for the General Salary Program
The following employee groups are excluded from the 2014-15 salary program:
- Employees who did not receive the appraisal rating of “Meets Expectation” or greater
- New employees hired on or after January 1, 2014
- Employment Appointment types of Contract (PSS and MSP), Per Diem and Limited Term
- Union-represented employees
- Employees at or above the maximum of their salary range

Salary Program Parameters
The salary program will be implemented using two methodologies:
- Merit – Performance Based for upper level management/leadership positions and Development or Alumni Relations position with business plans
- Across-the-Board for all other non-represented staff.

3% Merit - Performance Based
- All SMG members in accordance with systemwide SMG Program
- MSP level direct reports of SMG members or Deans
- Assistant and Associate Vice Chancellors
- Assistant Deans for Administration
- All Development or Alumni Relations positions with business plans
Based on the incumbent’s current salary placement in the range and their evaluation ratings provided by their managers the performance based increase will be awarded based on the following matrix:

<table>
<thead>
<tr>
<th>Performance Rating</th>
<th>Min to 1st Quartile</th>
<th>1st Quartile to Midpoint</th>
<th>Midpoint to 3rd Quartile</th>
<th>3rd Quartile to Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exceptional</td>
<td>4.5%</td>
<td>4%</td>
<td>3%</td>
<td>2.5%</td>
</tr>
<tr>
<td>Exceeds Expectations</td>
<td>4%</td>
<td>3%</td>
<td>2.5%</td>
<td>2%</td>
</tr>
<tr>
<td>Meets Expectations</td>
<td>3%</td>
<td>2%</td>
<td>1.5%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Improvement Needed/Unsatisfactory</td>
<td>No increase</td>
<td>No increase</td>
<td>No increase</td>
<td>No increase</td>
</tr>
</tbody>
</table>

3% General Salary Program
- All PSS and MSP not referenced in the 3% Merit – Performance Based section on page 1
- Step-based Skilled Craft and Police Sergeant titles the 3% will be applied as a Range Adjustment.

Performance Evaluations
On May 1, 2014, department managers will be provided a list of all of the 3% General Salary program eligible employees within their respective areas and will be asked to work with their departments to provide the evaluation “rating” for each employee based on their performance over this past evaluation year. This action will allow the increases to be effective June 22nd for biweekly and July 1st for monthly paid employees (exception being Development and Alumni Relations staff with 12 month business plans).

Final written evaluations would be due to central HR on the Davis campus and Health System campus based on the following timeline:
- All Performance Based MSP evaluations must be written and discussed with next higher level of management no later than Monday, June 30th. Discussion of performance evaluation and rating with incumbents would begin after the review with the next higher level of management and be fully completed no later than Thursday, July 31st.
- Development and Alumni Relations positions with business plans are due Thursday, July 31st.
- All remaining MSP and PSS evaluations being discussed with employees and fully completed no later than Thursday, July 31st.

Effective Dates
- For monthly paid employees the effective date of the increase is July 1, 2014.
- For bi-weekly paid employees the effective date of the increase is June 22, 2014.

Note: Development and Alumni Relations positions with business plans will receive their increase retroactively to provide a full 12-month performance period on which their salary increase will be determined.
Process Details

- Increases will be reflected in the Friday, August 1, 2014 checks for monthly paid employees.
- Increases will be reflected in the Wednesday, July 16, 2014 checks for bi-weekly paid employees.
- The salary increases will be processed in mass by Central Payroll in coordination with central Human Resources.
- The Provost, Dean’s, and Vice Chancellor’s Offices will receive from Human Resources a roster of eligible employees for the general salary program. The Provost/Dean/Vice Chancellors Merit Program Coordinator would be asked to confirm the following information:
  - Using the eligibility criteria stated in this document make changes to the roster as necessary to ensure its accuracy.
  - Indicate those who do not meet the appraisal rating of “Meets Expectation”.
  - Ensure all eligible employees are considered.

- The roster provided Thursday, May 1, 2014 for the across-the-board general salary program must be returned to Human Resources no later than Tuesday, June 10, 2014.

Equity Program: October 1, 2014 effective date
A 1% equity pool will be established to address salary differentials between non-represented supervisors and represented staff that have become compressed due to the significant pay increases bargained for represented staff.

Future Salary Programs:
Going forward, calibration of performance ratings across the organization will be part of our employee performance evaluation program.

Recommended Rating Distribution

<table>
<thead>
<tr>
<th>Performance Rating</th>
<th>% of staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exceptional</td>
<td>10%-15%</td>
</tr>
<tr>
<td>Exceeds Expectations</td>
<td>20%-30%</td>
</tr>
<tr>
<td>Meets Expectations</td>
<td>60%-65%</td>
</tr>
<tr>
<td>Improvement Needed and Unsatisfactory</td>
<td>5%-10%</td>
</tr>
</tbody>
</table>

Our calibration efforts will provide us a stronger framework for next year’s and all future full Pay-for-Performance merit programs for our non-represented employees.

As we plan for the potential of future Salary Programs we will need to transition the evaluation periods to meet processing deadlines and prevent retroactive adjustments for our staff. The chart below outlines the cycle changes to enable us to achieve a July 1st salary program going forward.

<table>
<thead>
<tr>
<th>Evaluation period</th>
<th>Cycle</th>
</tr>
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<tbody>
<tr>
<td>July 1, 2013 – June 30, 2014</td>
<td>12 months</td>
</tr>
<tr>
<td>July 1, 2014 – April 30, 2015</td>
<td>9 months</td>
</tr>
<tr>
<td>May 1, 2015 – April 30, 2016</td>
<td>12 months</td>
</tr>
</tbody>
</table>
CALL FOR PERFORMANCE APPRAISALS FOR NON-REPRESENTED STAFF
JULY 1, 2013 – JUNE 30, 2014 REPORTING PERIOD (MSP, PSS and K3)

This is the official call for performance appraisals for non-represented staff for the July 1, 2013 – June 30, 2014 reporting period.

Chancellor Katehi is committed to an ongoing and sustainable compensation/performance based merit program for non-represented staff. Completing the employee performance appraisals is a significant part of this process, is an essential management responsibility, and is required by UC policy.

Employee Performance Appraisal Report (EPAR)

At this time, we are asking that you complete employee performance appraisals for all non-represented employees. Completing performance appraisals is an essential management responsibility and is required by UC policy. Formal employee feedback processes play a critical role in keeping our staff motivated and engaged in their work, and this is critically important. In addition, our staff appreciates and benefits from management’s observations of work well done as well as constructive coaching regarding opportunities for improvement. Finally, this process creates a foundation for employee development and goal setting, both of which are critical to individual and organizational success.

Written performance appraisals must be completed as outlined by the specific process and due dates for each group to include review by upper management and discussions with employees.

- All Performance Based MSP evaluations must be written and discussed with next higher level of management no later than Monday, June 30th. Discussion of performance evaluation and rating with incumbents would begin after the review with the next higher level of management and be fully completed no later than Thursday, July 31st.
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The performance appraisal process allows each supervisor to assess their employee’s performance over the last year and also to set performance goals for the coming year. Organizationally, all goals from the highest levels of Administration down to the front line employee should be aligned and in support of the highest organizational priorities.

Listed below are the Chancellor’s highest priority goals from which all other goals should cascade:

1. Further diversify our revenue sources, principally through new philanthropy and research initiatives, collaborative partnerships and our 2020 Initiative, to stabilize our finances and maintain a high level of excellence and access regardless of state budget actions.

2. Advance excellence in teaching, research and service by actively promoting and nurturing interdisciplinary and collaborative programs that place student success at the core of everything we do.
3. Establish UC Davis as a model of diversity and tolerance through proactive outreach, application of our Principles of Community, and the example of our actions that create a welcoming and nurturing environment for students, faculty, staff and visitors.

4. Continue streamlining our administrative operations by applying new and creative business practices, so we can direct precious resources to our core missions of teaching, research and service while enhancing the student experience and their success at UC Davis and beyond.

5. Work hand in hand with our Health System in “creating a healthier world through bold innovation” by ensuring a strong financial foundation during a period of tremendous change and uncertainty throughout the healthcare industry.

Additionally, the following ten areas were identified as the Chancellor’s key institutional priorities this year (http://chancellor.ucdavis.edu/initiatives/UCDavis_two-year_goals_summary/index.html) each of these will help build momentum and move us forward in areas identified as critical by the “UC Davis: A Vision of Excellence” strategic framework:

1. 2020 Initiative: Continue its implementation and assess outcomes annually.
2. UC Davis World Food Center: Fully establish this center and begin fundraising to raise a $100 million endowment.
3. Research Growth and Economic Development: Increase annual research awards to $1 billion by 2020 and create 15-20 new start-ups annually.
4. Improve the Student Experience: Develop a broad-based plan to enhance the student experience.
5. Reduce Time to Graduation: Reduce our four-year and six-year graduation rates to 75 percent and 96 percent respectively.
6. Increase Diversity and Improve Campus Climate: Increase the diversity of students, faculty and staff to better reflect State of California demographics and become a Hispanic Serving Institution by 2018-19.
7. Fundraising: Complete first Comprehensive Campaign and begin planning for next campaign.
8. Capital Plan: Create a new long-term planning document to accommodate future growth and meet student, faculty and staff needs.
9. One UC Davis Campaign: Launch the university’s first-ever Integrated Marketing Communications Campaign.
10. Greater Efficiencies: Continue to integrate our campus organizations and programs to improve efficiency, reduce cost and better manage risk.

Each division head should establish goals for their school/college/unit/division in support of these high-level organizational priorities. These goals then set the framework and context for manager, supervisor and employee goals. When setting goals it is important that they be “SMART” goals: Specific, Measurable, Attainable, Relevant and Timely. Metrics that are quantifiable and objective should be used wherever possible to assess performance.
**Appraisal Tools**

It is expected that all Davis location appraisals be completed using the online Employee Performance Appraisal Report (EPAR). The online application is accessed through the web link [http://epar.ucdavis.edu](http://epar.ucdavis.edu) and can be accessed from the HR home page under the header “Hot Topics”. User support in the form of an online user guide and other on-demand training materials is also available and can be accessed from within the online application as well as from the Human Resources home page.

At UCDHS, all appraisals must be completed on-line in eHR and can be accessed from [http://ehr/psp/hrprod/EMPLOYEE/HRMS/?cmd=login](http://ehr/psp/hrprod/EMPLOYEE/HRMS/?cmd=login). Navigation is Main Menu > Manager Self Service > Performance Management > Maintain Documents. User support in the form of an online user guide and other on-demand training materials is also available at [http://intranet.ucdmc.ucdavis.edu/hr/ePerformance/stepbystep.shtml](http://intranet.ucdmc.ucdavis.edu/hr/ePerformance/stepbystep.shtml), as well as from the Human Resources home page.

**Rating Distribution**

As we outlined in last year’s program, that over the years there has been inflated use of the highest ratings of “Exceptional” and “Exceeds Expectations.” We began our collaborative effort to reduce rating inflation and better differentiate top performers the concept of “rating distribution” and through “calibration” meetings as part of our program last year we were able to begin to see a change in the overall ratings beginning to more closely mirror the recommended rating distribution chart below.

Going forward, calibration of ratings across the organization will be part of our employee performance evaluation program.

Continuing our calibration efforts will provide us a stronger framework for next year’s full Pay-for-Performance merit program.

**Recommended Rating Distribution**

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