



College of Letters & Science  
UNIVERSITY OF WISCONSIN-MADISON

October 19, 2021

To: L&S Chairs, Directors, and Department Administrators

From: Eric M. Wilcots, Dean 

Re: L&S Salary Exercises for 2021-22

Given the difficult financial circumstances brought on by the pandemic, we were unable to conduct salary exercises in 2020-21. I am pleased to announce that central campus has now resumed its commitment to provide funding to schools, colleges, and other campus units to address compensation issues for faculty and staff. As in past years, the funding will take three forms:

- **Faculty Block Grants** to provide base salary increases for faculty. As you may recall, central campus provided an extraordinary supplement to the Faculty Block Grant in 2019-20 which significantly improved our faculty compensation relative to peer institutions. This year's block grant is substantially smaller than it was in 2019-20 and roughly half the level from prior years.
- **Discretionary Compensation Funds (DCF)** to provide base salary increases for 101-funded academic staff, university staff, and limited employees. Campus funding for the DCF is similar to previous years. However, given the College's current fiscal situation, we are unable to supplement DCF funds as in past years. This year's DCF allocation to departments is thus substantially smaller than it was in 2019-20 and somewhat smaller than prior years.
- **Performance Bonus Funds** to provide one-time lump-sum increases for faculty and/or staff, regardless of funding source. Central campus has increased Performance Bonus Funds by 25% over prior years, and encourages departments to use these funds to reward faculty and staff who have gone well beyond the expectations set for their roles during the pandemic.

This funding is in addition to the anticipated 2% percent pay increases to be funded through the State Compensation Plan in January 2022. You are encouraged to consider all of the available sources of funds together as your department develops its plan for these exercises.

New salary ranges for staff will become available once TTC is implemented on November 7. We anticipate that central campus will provide additional funding to increase base salaries for 101 funded staff below the minimum of their salary range. We will share information about staff in these categories as soon as we receive further details. As in the past, staff who exceed the maximum of their salary range will be eligible for bonuses but not base increases.

Following the detailed instructions below, **departments should submit materials no later than November 17, 2021**. Given the lead time needed by campus to implement pay plan, and in order to consider TTC salary ranges as part of this exercise, it will not be administratively feasible to process base salary increases in advance of the state pay plan.

The College is providing some additional flexibility this year for departments to supplement the base-salary exercises (Faculty Block Grant and DCF) with their own ongoing tally sheet resources contingent on permission from the divisional associate dean. Please read carefully the guidance for these exercises below, and then discuss your plans with your divisional associate dean.

**Office of the Dean, College of Letters & Science**

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## Accessing Department-Specific Information – Currently Available

Departments will be provided the information needed to conduct these three salary exercises through Box and also via e-mail.

*Through Box* - Each department's allocations for the three exercises will be reflected in the Summary of Allocations File. The allocations will also be reflected in the department's BSR, with the Faculty Block Grant and Performance Bonus Funds posted to the tally sheet, and the DCF allocations posted to the budget sheets for academic staff and university staff. These files have been uploaded to department box folders (folder structure is Budget Office, Salary Exercise Documents, FY22). Both sources show ongoing credits for the faculty block grant and DCF, as well as the one-time tally sheet credit for performance bonuses (faculty and staff combined).

In addition, we are providing department-specific information about temporary base adjustments currently in effect for L&S faculty. This will enable departments to more easily determine permanent base rates when considering faculty salary recommendations.

*Via e-mail* - Each department will be sent the master salary exercise spreadsheet via e-mail from L&S HR, along with detailed instructions.

## Submitting Department Specific Information - Due November 17, 2021

Departments will need to submit the following information, **no later than November 17, 2021**, via e-mail, to L&S Human Resources ([humanresources@ls.wisc.edu](mailto:humanresources@ls.wisc.edu)):

1. The completed master salary exercise spreadsheet, with all recommendations for each of the three exercises.
2. Three summary narratives reflecting the criteria and department process used to determine:
  - a. raises for faculty, using the Faculty Block Grant (this narrative should reflect the department's overall plan as discussed with the relevant divisional associate dean);
  - b. raises for staff, using Discretionary Compensation Funds; and
  - c. performance bonuses for faculty and staff, using the Performance Bonus Fund.

**The summary narratives should also explain any unusual circumstances, including associate dean approval where applicable** (such as approval to spend more than 100 percent of the Faculty Block Grant or the DCF, or approval to supplement 101-funds with non-101 funds in any of the three exercises).

3. Documentation showing the department's decision-making process for raises and bonuses was disseminated to staff and faculty throughout the department.

## Effective Date

All base salary increases will be effective January 16, 2022.

Bonuses will be paid on the December B payroll.

## Contacts

As you work through these three salary exercises, please remember we are available to answer your questions and address your concerns. Specific contacts are listed below.

- For the faculty salary exercise:

Ben Weisse (890-3494, [ben.weisse@wisc.edu](mailto:ben.weisse@wisc.edu))

- For DCF exercise and the Performance Bonus Exercise:

Cheryl Adams Kadera (263-2315, [cheryl.adamskadera@wisc.edu](mailto:cheryl.adamskadera@wisc.edu))

Daun Wheeler (263-2591, [daun.wheeler@wisc.edu](mailto:daun.wheeler@wisc.edu))

Alisha Arnold (263-2321, [alisha.arnold@wisc.edu](mailto:alisha.arnold@wisc.edu))

Sue Hook (263-4964, [sue.hook@wisc.edu](mailto:sue.hook@wisc.edu))

- For Tally Sheet accounting, available resources, and overall funding:

Mary Beth Roberts (263-6894, [marybeth.roberts@wisc.edu](mailto:marybeth.roberts@wisc.edu))

James Montgomery (263-7221, [james.montgomery@wisc.edu](mailto:james.montgomery@wisc.edu))

## Faculty Block Grant Additional Information

### Implementation Guidelines

Following past practice, the College is holding back a portion of the Faculty Block Grant to cover the expected cost of two types of faculty raises – standard promotional adjustments and permanent salary adjustment for outgoing chairs – that are not charged to departments. At the same time, your tally sheet credit for faculty has been increased to include two years of funding for post-tenure increases (both increases made last year that became effective in August 2021, and increases to be made later this year that will take effect in August 2022).

While the College aspires to provide departments with as much flexibility as possible to address their own unique circumstances, we also need to honor campus intentions for the faculty block grants. We thus offer the following guidelines for faculty raises:

- L&S is not imposing any restriction on the number or proportion of faculty receiving base adjustments in each department. However, given the need to adhere closely to the guidelines below, we anticipate that most departments will not award increases to all faculty members.
- Departments are not permitted to give across-the-board increases, but must instead consider faculty members individually. Departments are expected to allocate funds strategically, especially to preempt future outside offers.
- We expect most departments will spend at least 50% of their block grant through the current salary exercise. The remainder may be held back for supplemental increases for spring promotions, future retentions, or post-tenure review increases.
- In the past, departments have typically been prohibited from spending more than 100% of the block grant through the current salary exercise. For the current exercise, the College will permit departments to supplement campus funding with their own ongoing tally sheet resources, spending **up to 150%** of the block grant conditional on pre-approval from the divisional associate dean. Departments considering whether to spend more than 100% of the block grant should carefully evaluate the fiscal implications, as this may impact the department's ability to make future hires or other permanent commitments. Please discuss your plans with your divisional associate dean to obtain their advice and pre-approval.
- Departments that wish to supplement 101 funds (tally sheet resources) with non-101 funds (e.g., 131 program revenue or summer-term surplus) must also obtain pre-approval through the divisional associate dean. Permission to supplement base increases is contingent on a stable flow of surplus adequate to cover this permanent commitment. We encourage departments to consider using summer surpluses to award one-time performance bonuses as an alternative to base adjustments.
- Salary increases will typically use "market" as a basis for salary adjustments. These increases must be at least 3 percent; there is no maximum for market increases.
- Faculty who supervise continuing academic or university staff must be current with their employee evaluations. Specifically, if a performance review has not been done within the last 12 months and finalized in the PMDP system, it will need to be done now in order for the faculty member to be eligible for a DCF increase.
- Faculty must have completed the required training related to Cybersecurity and Preventing Sexual Harassment and Sexual Violence at UW–Madison.

## Faculty Salary Information

Following past practice, the master salary spreadsheet includes a sheet reflecting current faculty with their salary rates as of 8/23/21 for your use in making your salary recommendations. Although new faculty (those with appointments starting in 2021-22) are included in the file for reference, we assume they were hired at market rates, and thus would not generally be considered for increases through this exercise.

The campus office of Academic Planning and Institutional Research (APIR) provides a number of faculty salary reports that may be useful as you review faculty salary data:

- Faculty Salaries by Department (Scatterplots)
- Faculty Salary Peer Comparisons for UW-Madison Departments (AAUDE) by Department and Professorial Rank

## Managing Unique Circumstances

*Faculty with Joint Appointments* - Block grant and performance bonus allocations generated on faculty salaries funded in interdisciplinary programs and centers have been redirected to home departments for the purpose of these salary exercises. In conducting the salary review process, home departments should consult with interdisciplinary programs as appropriate. However, the home department will receive all tally sheet credits and incur all tally sheet charges.

For faculty with budgeted appointments in two or more tenure-granting departments, these departments should consult with each other as they have in the past. Tally sheet credits have been allocated to the departments in proportion to budgeted appointments; raises and bonuses will be charged to department tally sheets in the same way.

*Chairs and Directors* - Departments may wish to request salary increases for current chairs and directors as part of this salary review process; costs of any increases will be charged to department tally sheets. The salaries of outgoing chairs and directors are reviewed each year by the Dean at the end of their terms, with any increases becoming effective in late August, with the cost covered by L&S.

*Vilas and Hilldale Professors* - The salary review of Vilas and Hilldale professors should be handled at the department level, with costs of increases charged to department tally sheets.

## Relationship of Exercise to Post-Tenure Review

As in past years, **the Faculty Block Grant includes additional funding for post-tenure review increases.** Please note that requests for post-tenure review increases must be submitted along with the post-tenure reviews, no later than **March 1, 2022** (approved increases will be effective in August 2022).

## Relationship of Exercise to Promotional Base Adjustments

Following past practice, promotional adjustments will be processed later in the year **outside of the current exercise.** However, for planning purposes, it may be helpful to know:

- The standard promotional increases for L&S faculty will be the higher of the following two options: the fixed dollar amounts set by campus or 10 percent of salary. Departments will not be charged for any portion of these standard promotional costs. Although the 2021-22 fixed amounts are not yet available, we anticipate a \$300-\$400 increase over last year's fixed amounts for nine-month faculty (\$8,035 for promotion to associate professor; \$10,325 for promotion to full professor). The standard promotional increases will become effective in late August as in the past.

- In some cases, supplemental salary adjustments may be needed, beyond the standard promotional increases. The amount of these adjustments will depend on internal departmental and external market factors, with any approved increases becoming effective in late August as in the past. Not all faculty members being promoted will receive a supplemental salary adjustment. Costs of any supplemental increases will be charged to department tally sheets.

### **Recommendation Information Specific to the Faculty Block Grant - Due November 17, 2021**

As part of the overall packet of information due **no later than November 17, 2021**, via e-mail, to L&S Human Resources ([humanresources@ls.wisc.edu](mailto:humanresources@ls.wisc.edu)), departments must include:

1. The completed spreadsheet with recommendations for the Faculty Block Grant (included as one sheet in the master salary exercise spreadsheet).
2. A summary narrative reflecting the criteria and department process used to determine raises for faculty. This narrative should reflect the department's overall plan as discussed with the relevant divisional associate dean. It should also include information about unusual circumstances (such as approval to spend more than 100 percent of the Faculty Block Grant or to supplement 101 funds with non-101 funds).
3. Documentation that information about the processes followed was disseminated to faculty throughout the department.

## Discretionary Compensation Fund (DCF) Additional Information

### Implementation Guidelines

While the College aspires to provide departments with as much flexibility as possible to address their own unique circumstances, we also need to honor campus intentions for the discretionary compensation fund. We thus offer the following guidelines for staff raises:

- L&S is not imposing any precise restriction on the number or proportion of staff receiving base adjustments in each department. However, given the need to adhere closely to the guidelines below, we anticipate that most departments will not award increases to all staff members.
- As in past years, departments are receiving two distinct DCF allocations: one for 101-funded academic staff/limited appointees, and another for 101-funded university staff. Departments are expected to work within these budgets. In exceptional circumstances where some reallocation between the two groups may appear warranted, departments should consult with L&S HR.
- Departments are not permitted to give across-the-board increases, but should instead consider staff members individually. The state-funded 2 percent increases anticipated in January 2022 will provide an opportunity for broad compensation increases.
- Since the campus salary freeze has now been lifted, you may resume submission of regular rate adjustments throughout the year.
- University, academic and limited staff are eligible for DCF adjustments, with the following exceptions:
  - rehired annuitants;
  - employees still serving a probationary or evaluation period as of 12/1/2021;
  - employees who have not completed the required training related to Cybersecurity and Preventing Sexual Harassment and Sexual Violence at UW–Madison
  - supervisors who are not current with their employee performance evaluations; specifically, if a performance review has not been done within the last 12 months and finalized in the PMDP system, it will need to be done now in order for the supervisor to be eligible for a DCF increase;
  - staff who are already at the maximum of their pay range (you may wish to consider performance bonuses for staff in this situation).
- Solid performance, documented through a recent performance review, is a necessary condition for all raises. In cases where staff members have not been recently reviewed, the department should still consider these staff members for raises through the current salary exercise, and then work with the supervisors to complete the performance reviews. **Employees should not be penalized for the failure of supervisors to follow campus rules on performance evaluation.**
- Factors to consider in determining performance raises under the DCF include duration or frequency of the performance, overall importance of the employee’s contributions to the department, and regularity with which the performance or unique contribution was demonstrated.
- Our advice is to gather input from all supervisors regarding performance of their staff members and consider the overall salary structure, the set of compensation tools available for staff, and any recent increases and opportunities for future increases in making recommendations.
- Departments should give special consideration to employees in low-wage categories (e.g., office support, blue-collar, and technical support).
- Departments are expected to spend at least 75 percent of their DCF allocation on raises in this exercise (to take effect on January 16, 2022). The remainder of the DCF allocations may be held in

anticipation of other types of staff raises to occur later in the year. However, departments that hold back funds are expected to fully spend 100 percent of the DCF allocations on staff raises by the end of the current fiscal year.

- In the past, departments have typically been prohibited from spending more than 125% of their DCF allocation. For the current exercise, the College will permit departments to supplement campus funding with their own ongoing tally sheet resources, spending **up to 200%** of the DCF allocation conditional on pre-approval from the divisional associate dean. We encourage departments to take advantage of this flexibility to address salary issues created by last year's salary freeze and the new TTC salary ranges.
- New salary ranges for staff will become available once TTC is implemented on November 7. We anticipate that central campus will provide additional funding to increase base salaries for 101 funded staff below the minimum of their salary range. As in the past, staff who are at the maximum of their salary range will be eligible for bonuses but not base increases.
- Departments that wish to supplement 101 funds (tally sheet resources) with non-101 funds (e.g., 131 program revenue or summer-term surplus) should obtain pre-approval through the divisional associate dean. Permission to supplement base increases is contingent on a stable flow of surplus adequate to cover this permanent commitment. Departments might consider using summer surpluses to award one-time performance bonuses as an alternative to base adjustments.
- We expect most DCF raises to be performance-based. Our required minimum salary increase is 3 percent if based on performance.
- The campus minimum is 3 percent for increases based on market; equity considerations will be reviewed on a case-by-case basis. Please consult with your HR manager before submitting market or equity based increases for staff. Although we will have market based salary ranges available with TTC implementation, it will take some time to work through administration of the new salary guidelines. We expect future exercises to focus on this in a more detailed and structured approach.
- Campus rules limit base-building performance increases to 10 percent per fiscal year. Employees can also receive up to 10 percent for lump-sum performance increases within the same fiscal year.

## **Staff Salary Information**

The master salary spreadsheet includes the names and relevant salary information of eligible 101-funded academic/limited and university staff. Note that staff who will still be serving probationary periods as of 12/1/2021 are excluded from the spreadsheet.

## **Managing Unique Circumstances**

*Joint Appointments/Appointments Paid from Multiple Funding Sources* - You will need to coordinate your recommendations for joint appointments and those appointments paid on multiple funding sources; each appointment can only have one full-time rate. Costs of increases will be prorated across existing funding sources.

*Non-101 Funded Employees* – NEW THIS YEAR: We are also including non-101 funded staff in your DCF spreadsheet so that you can holistically review all staff at one time and take advantage of the batch process for entry. These will be subject to the same parameters (3 percent minimum; 10 percent maximum), with any increases paid on the fund that currently supports the position.

Any requests not included with the November 17, 2021 department submission (or incomplete requests) will require entry in the rate/title system as usual.



**Recommendation Information Specific to the Discretionary Compensation Fund – Due November 17, 2021.**

As part of the overall packet of information due no later than November 17, 2021: via e-mail, to L&S Human Resources ([humanresources@ls.wisc.edu](mailto:humanresources@ls.wisc.edu)), departments must include:

1. The completed spreadsheet with recommendations for the Discretionary Compensation Fund.
2. A summary narrative reflecting the criteria and department process used to determine raises for staff. The narrative should also include information about unusual circumstances (such as approval to spend more than 100 percent of the funds provided through the DCF or to supplement 101 funds with non-101 funds).
3. Documentation that information about the processes followed was disseminated to staff throughout the department.

## Performance Bonus Fund Additional Information

### Implementation Guidelines

Central campus has provided funding again this year for performance bonuses, enabling one-time payments to faculty and staff (regardless of funding source for base pay) to recognize exceptional performance. These funds will appear on department tally sheets as one-time credits. Some guidelines for awarding these one-time bonuses:

- Performance bonuses are intended for faculty and staff who have done exceptional work or service, often above and beyond their job responsibilities. We encourage departments to consider bonuses for faculty and staff who have gone well beyond the expectations for their roles during the pandemic.
- The College has not indicated the precise portion of the department's Performance Bonus Fund allocation to be targeted to faculty, academic staff, and university staff. It is expected that departments will consider the full range of eligible employees.
- Faculty, university, academic and limited staff are eligible for performance bonuses with the following exceptions:
  - rehired annuitants;
  - employees still serving a probationary or evaluation period as of 12/1/2021;
  - employees who have not completed the required training related to Cybersecurity and Preventing Sexual Harassment and Sexual Violence at UW–Madison
  - supervisors who are not current with their employee performance evaluations; specifically, if a performance review has not been done within the last 12 months and finalized in the PMDP system, it will need to be done now in order for the supervisor to be eligible for a Performance Bonus.
- Departments should establish criteria for awarding performance bonuses. They should be awarded based on the employee's solid or extraordinary performance or contribution to a one-time project. Factors that could be included are duration or frequency of the performance, overall importance of the employee's contributions to the department, and regularity with which the performance or unique contribution was demonstrated. Departments are encouraged to consider qualified individuals who have put extra effort into mentoring students as well as staff involved with campus climate or diversity and inclusion initiatives, and those that went well beyond expectations for their roles during the pandemic.
- Departments can also use the funds to establish awards to honor faculty or staff excellence. Again, however, selection criteria for these awards should be established.
- Staff employee performance or contributions for which a bonus is being awarded must be adequately documented through a recent performance review.
- Our recommended minimum for performance bonuses is 3 percent, with a 10 percent campus maximum.
- Departments are not allowed to spend more than 100 percent of their share of Performance Bonus Funds using 101 funds (i.e., through tally sheet charges). However, departments may supplement 101 funds with non-101 funds (including summer 131 funds) with the permission of the divisional associate dean, and consistent with campus policies for use of the funds.
- It is critical to submit performance bonuses in a timely manner as campus has noted a December 18, 2021 deadline for expenditure of the performance bonus funds.

## **Employee Information**

The master spreadsheet provides the salary information needed to calculate bonus amounts for both faculty and staff.

## **Managing Unique Circumstances**

*Staff at the Maximum of Pay Range* - Bonuses may be a useful compensation tool for staff at the maximum of their pay range (who are ineligible for base-building raises).

*Faculty and Staff Paid on Non-101 Funds* - Departments are allowed to spend 101 funds (making tally sheet charges) for one-time performance bonuses to faculty and staff paid on non-101 funds.

## **Recommendation Information Specific to the Performance Bonus Fund – Due November 17, 2021**

As part of the overall packet of information due no later than November 17, 2021: via e-mail, to “L&S Human Resources ([humanresources@ls.wisc.edu](mailto:humanresources@ls.wisc.edu)), departments must include:

1. The completed spreadsheet with recommendations for the Performance Bonus Fund.
2. A summary narrative reflecting the criteria and department process used to determine allocation of the performance bonus fund to faculty and staff. The narrative should also include information about unusual circumstances (such as approval to supplement 101 funds with non-101 funds).
3. Documentation that information about the process followed to determine bonuses was disseminated to staff and faculty throughout the department.

It is critical that timely and complete submissions of all materials occur in order to meet the effective date of the increases and bonus payments.