

**ARTICLE 6  
COMPENSATION**

**A. GENERAL PROVISIONS**

1. **Effective date of salary increases – Salary increases shall be effective on the first day of the payroll period nearest the first day of the month in which the increase occurs. In the event the first day of the payroll periods are equidistant from the first day of a month, the earlier payroll period shall be used.**
  
2. **Appendix A – The applicable salaries are reflected in Appendix A. The parties recognize that the actual salary rates paid to employees may slightly vary from those reflected in Appendix A due to rounding.**
  
3. **Unless otherwise specified, pay increases (regardless of type) shall be base-building only up to the maximum of the applicable salary range. The campus or Medical Center’s normal pay practices shall be followed in implementing pay increases.**
  
4. **Range Adjustments**
  - a. **Ranges with Steps**
    - 1) **When applying a range adjustment to ranges with steps, the adjustment shall apply equally to all steps within the range. The resultant step salary shall apply to all employees on the step.**
    - 2) **Employees whose pay exceeded the salary range maximum before the rate increase was applied to the range are eligible for an increase only up to the new salary range maximum.**
    - 3) **Employees whose pay equals or exceeds the salary range maximum after the range adjustment is applied are not eligible for a salary increase.**
  - b. **Ranges without Steps**
    - 1) **When applying a range adjustment to ranges without steps, the adjustment shall apply to the minimum and the maximum of the range, only.**
    - 2) **In addition, each employee within the salary range shall receive the same percentage increase to their salary as applied to the minimum and the maximum of the salary range.**
    - 3) **Employees whose pay exceeded the salary range maximum before the range adjustment was applied to the maximum are**

eligible for an increase only up to the new salary range maximum.

- 4) Employees whose pay exceeds the salary range maximum after the range adjustment is applied to the maximum are not eligible for an increase.

**5. Merit Increases**

- a. Merit increases will be provided in accordance with the campus or hospital merit program guidelines, and
- b. A non-probationary employee is eligible for a merit increase when
  - 1) her/his salary is within the salary range, and
  - 2) s/he has received an overall performance rating of satisfactory or above. Employees who are not provided a performance evaluation shall be deemed "satisfactory", and
- c. Employees shall receive a step increase.

**6. Order of Increases - If more than one salary adjustment takes place on the same date, actions occur in the following order:**

- a. Salary Range adjustment
- b. Merit increase
- c. Equity Increase
- d. Increase resulting from promotion or reclassification

**B. FISCAL YEAR 2010-2011 (except LBNL)**

1. Settlement Payment of \$1,000 – See Side Letter "Settlement Agreement – ULP"
2. Effective October 2010, the University will increase all salary ranges in the unit by two and a half percent (2.5%), by applying the provisions of §A.4., above.
3. Effective January 2011, eligible employees in the RX bargaining unit receive a merit increase, in accordance with the provisions of §A.5., above.

**C. FISCAL YEAR 2011-2012 (except LBNL)**

1. Effective October 2011, the University will increase all salary ranges in the unit by three percent (3%), by applying the provisions of §A.4., above.
2. Effective January 2012, eligible employees in the RX bargaining unit receive a merit increase, in accordance with the provisions of §A.5., above.

**D. FISCAL YEAR 2012-2013 (except LBNL)**

1. Effective October 2012, the University will increase all salary ranges in the unit by three percent (3%), by applying the provisions of §A.4., above.
2. Effective January 2013, eligible employees in the RX bargaining unit receive a merit increase, in accordance with the provisions of §A.5., above.

**E. LAWRENCE BERKELEY NATIONAL LABORATORY (LBNL)**

1. Fiscal Year 2009 (October 1, 2008) individual increases for Research Professional Unit employees will be from a merit pool of three and one-half percent (3.5%) of the September 30, 2008 payroll base. The merit pool will be distributed in the Lab's customary merit-based manner using a FY09 matrix to be provided to UPTE. The minimum increases identified on the matrix will utilize approximately sixty percent (60%) of the available allocation. Each eligible employee will receive at least a one percent (1.0%) salary increase. In order to be eligible for the FY 2009 salary increase of October 1, 2008, an employee must be in the RX bargaining unit on September 30, 2008, eligible for an annual performance evaluation, and continue to be in the bargaining unit on the date payroll distribution is processed in HRIS. Salary ranges will be increased by at least one percent (1%). Any salary range increase beyond one percent (1%) will be at the Laboratory's sole discretion.
2. Fiscal Year 2010 (October 1, 2009) individual increases for Research Professional Unit employees will be from a merit pool of three and one-half percent (3.5%) of the September 30, 2009 payroll base. The merit pool will be distributed in the Lab's customary merit-based manner using a FY10 matrix that will be provided to UPTE no later than September 15, 2009. The minimum increases identified on the matrix will utilize approximately sixty percent (60%) of the available allocation. In order to be eligible for the FY 2010 salary increase of October 1, 2009, an employee must be in the RX bargaining unit on September 30, 2009, eligible for an annual performance evaluation, and continue to be in the bargaining unit on the date payroll distribution is processed in HRIS.
3. Fiscal Year 2011 (October 1, 2010) individual increases for Research Professional Unit employees will be from a merit pool of three and one-half percent (3.5%) of the September 30, 2010 payroll base. The merit pool will be distributed in the Lab's normal merit-based manner using an FY11 matrix that will be provided to UPTE no later than September 15, 2010. The minimum increases identified on the matrix will utilize approximately sixty percent (60%) of the available allocation. In order to be eligible for the FY 2011 salary increase of October 1, 2010, an employee must be in the RX bargaining unit on September 30, 2010, eligible for an annual performance evaluation, and continue to be in the bargaining unit on the date payroll distribution is processed in HRIS.
4. Fiscal Year 2012 and 2013 individual increases are subject to reopener bargaining at the local level. Negotiations between LBNL and UPTE Local #184 will begin no later than April 1, 2011 and April 1, 2012, respectively.
5. Disputes arising from Research Professional employees receiving increases less than the matrix minimum for the appropriate quartile and

performance rating are subject to the grievance and arbitration provisions of the agreement between the University of California and University Professional and Technical Employees, with the following exceptions:

- a. Employees who have received increases within the preceding six (6) months.
  - b. Employees who have reached the maximum of their ranges.
  - c. Employees who are red-circled.
6. If more than one salary action takes place on the same date, the order of salary actions will be as follows:
- a. Salary range adjustment.
  - b. Merit adjustment.
  - c. Equity adjustment.
  - d. Promotion/Reclassification.
  - e. Bottom of the range adjustment for employees below the minimum of the salary range.

Employees who have reached the maximum of their ranges or who are “red-circled” will be eligible to receive increases in the form of a non base-building lump sum payment.

7. The following types of employees are not eligible for merit increases:
- a. Limited employees.
  - b. Rehired retirees.
  - c. Probationary employees.
8. The Laboratory will provide to UPTE information concerning the merit pool distribution within sixty (60) days following the end of the fiscal year. Such information will include employee name, employee number, job code, job title and wage increase amount. This information will be provided electronically in a Microsoft Excel spreadsheet to UPTE Local 184 and to the UPTE systemwide office. In the same manner as in previous fiscal years, any undistributed amount of the above merit increases will then be distributed across-the-board to all employees who received a wage increase based on the above eligibility requirements.
9. Salary ranges may be increased at the Laboratory’s sole discretion during fiscal years 2010 and 2011. The Laboratory shall provide UPTE with thirty (30) days advance notice regarding whether the salary ranges will be increased, and if so, the amount of the increase. Upon UPTE’s request, the Laboratory will schedule a meeting to discuss the union’s concerns relative to the basis for such decisions.
10. Employee wage increases for promotions, reclassifications and individual equity adjustments shall be at the Laboratory’s sole discretion, based upon business need. The Laboratory will provide to UPTE information concerning such wage adjustments within sixty (60) days following the end of each fiscal year. Such information will include employee name, employee number, job code, job title, wage increase amount and reason for

adjustment. This information will be provided electronically in a Microsoft Excel spreadsheet to UPTE Local 184 and to the UPTE Systemwide office.

11. For non-exempt (hourly paid) employees, all hourly rates will be rounded to the nearest penny. For exempt (monthly paid) employees, all monthly rates will be rounded to the nearest dollar.
12. For the purpose of determining merit increases, the matrix that will be provided to UPTE each fiscal year per 1-3 above will group employee performance appraisal ratings into four categories:
  - a. Outstanding/Excellent
  - b. Very Good/Good
  - c. Acceptable
  - d. Marginal/Unsatisfactory
13. When an annual wage increase per 1-3 above brings an employee's salary to the maximum of the salary range, the employee's position shall be reviewed for possible reclassification to the next higher level, if any, within the same job family. If a reclassification is deemed appropriate by management based on the actual job duties performed by the employee, the employee will be reclassified in accordance with Article 41 of this agreement.
14. Retroactive pay increases for Fiscal Year 2009 will be implemented within one hundred twenty (120) days of wage agreement ratification and will be subject to the eligibility criteria described in 1 above. No separate paychecks will be issued.
15. If this wage agreement is ratified later than June 15, 2009, pay increases for Fiscal Year 2010 will be implemented within one hundred twenty (120) days after Fiscal Year 2009 payroll distribution is processed in HRIS. Fiscal Year 2010 pay increases will be retroactive to October 1, 2009.

**F. LOCATION SPECIFIC SALARY RANGE ADJUSTMENTS**

The University retains the right to propose additional location-specific salary and range adjustments.

**G. OTHER INCREASES**

By mutual agreement, the University may increase, during the term of this Agreement, salary rates or ranges, shift differentials, on-call rates and or extend the coverage of such rates, for selected individuals and/or classifications at selected locations.

**H. REMOTE LOCATION / SEA PAY**

Where remote location and sea pay provisions currently exist, they shall remain in force throughout the life of this Agreement.

**I. EMPLOYEES AWARD PROGRAMS**

The University retains the right to continue, modify or abolish campus/hospital/LBNL employee award programs. Employee award programs, for members of the bargaining unit may be implemented according to local procedures. Employee award programs are available, if any, to employees in the unit according to the University's notice to UPTE and resulting meeting and discussing, if requested by UPTE.

J. The range and rate adjustments, base or non-base, if any, provided in this Article shall not be subject to Article 10 - Grievance Procedure, or Article 3 - Arbitration Procedure, of this Agreement.

**RX FY09 Salary Increase Matrix**

<b>Performance appraisal rating</b>	<b>1<sup>st</sup> quartile Minimum increase</b>	<b>2<sup>nd</sup> quartile Minimum increase</b>	<b>3<sup>rd</sup> quartile Minimum increase</b>	<b>4<sup>th</sup> quartile Minimum increase</b>
<b>Outstanding/Excellent</b>	<b>3.7%</b>	<b>3.2%</b>	<b>2.7%</b>	<b>2.2%</b>
<b>Very Good/Good</b>	<b>3.2%</b>	<b>2.7%</b>	<b>2.2%</b>	<b>1.7%</b>
<b>Acceptable</b>	<b>2.7%</b>	<b>2.2%</b>	<b>1.7%</b>	<b>1.2%</b>