

Michael V. Drake, MD President

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DIVISION OF AGRICULTURE AND NATURAL RESOURCES

June 25, 2025

CHANCELLORS LABORATORY DIRECTOR WITHERELL VICE PRESIDENT HUMISTON

Dear Colleagues:

This letter serves as confirmation that we will proceed with the 2025-26 salary program for policy-covered staff employees and academic personnel. As discussed, we are implementing a salary increase budget of 3.2 percent for policy-covered staff and academic appointees at all locations.

For policy-covered staff employees, salary increases will be implemented as a general increase, where all eligible policy covered staff employees would receive a 3.2 percent increase to their base salary. Although this year's salary program for policy-covered staff is not a merit program, where performance is a consideration related to the salary increase amount, the importance of the annual performance review process should not be discounted. All policy-covered staff employees should continue to receive, at least annually, a performance review per policy.

For policy-covered academic appointees, the academic salary scales will be increased by a general range adjustment of 3.2 percent. The adjustment to the academic salary scales will be effective October 1, 2025, for policy-covered faculty and July 1, 2025, for other policy-covered academic appointees. The regular peer-review merit advancement process for policy-covered academic appointees will continue per academic personnel policy.

Excluded from this program are staff employees and academics appointees who are represented by our various unions as their wages are governed by collective bargaining unit agreements.

I recommend that each of you announce the details of the program specific to your respective locations. Systemwide administrative guidelines noting flexibility and best practices for implementing the 2025-26 general salary increase program are attached for policy-covered staff employees and academic appointees.

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

Sincerely,

Michael. Drake po

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Enclosures

cc: Provost and Executive Vice President Newman Executive Vice President and Chief Operating Officer Nava Vice President and Chief of Staff Kao Division Leaders Vice President Lloyd Vice Provost Varsanyi Deputy Provost Lee Academic Council Chair Cheung Executive Vice Chancellors/Provosts

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2025-26 UC Systemwide Salary Program Administrative Guidelines*

Areas of Flexibility, Salary Program Guidance and Best Practices

Staff Employees*

General salary program increase of 3.2% for policy covered staff employees:

Flexibility in the timing and administration of the budget along with establishing any additional program parameters or criteria that best suit your campus/local needs is permitted.

If implemented at the beginning of the fiscal year, increases should be effective July 1, 2025 for monthly and June 22, 2025 for bi-weekly paid employees (June 22, 2025 is the first designated bi-weekly pay period for fiscal year 2025-26.)

This program is designed to apply to policy covered staff career employees. Chancellors have discretion to determine eligibility for policy covered staff employees who hold limited or floater/per diem or student appointments and for employees in contract appointments, based on the provisions of the employee's contract.

We recommend that you consider excluding individuals for whom the most recent performance review was unsatisfactory, particularly if that individual is being considered for termination or suspension. Increases for employees in this situation are at the discretion of the Chancellor.

We recommend that in order to receive the general salary increase, employees should have at least six months of service and/or have completed their probationary period, where applicable. However, each location has the discretion to determine a cut off and/or proration dates related to eligibility.

As part of your compensation communications, please take note of your total compensation spend and budget for other types of increases that typically come in the form of promotions, equity adjustments, and/or market adjustments as allowed by UC policy.

Non-SMG policy covered staff whose total cash compensation exceeds the Indexed Compensation Level of \$410,800, effective July 1, 2025, that require Presidential approval and Level One/Level Two SMG members are eligible to participate in the same program with the same timing as other policy covered staff. However, these populations will require submission of the proposed general salary increases to the Systemwide HR/Executive Compensation unit to procure the appropriate level of approval from the President and/or Regents as required by policy.

Policy Covered employees will receive at least a 3.2% increase through SB 525 and/or the Policy Covered Increase. Those employees that did not receive an increase or increase less than 3.2% related to SB 525 will receive the balance through Policy Covered Increase.

* These guidelines cover UC campuses, health systems, Office of the President, and UC ANR. Lawrence Berkeley National Lab (LBNL) will administer its program based on the parameters as approved by the Department of Energy for LBNL's 2025 salary program effective October 1, 2025 and will seek Presidential/Regental approval as noted above for its Level One and Level Two SMG members.

2025-26 Academic Salary Program

Overview of the 2025-26 Program

- The overall salary scales for policy-covered academic appointees will be raised by 3.2%.
- The annual academic merit review process to determine reappointments, as well as adjustments in rank and step will continue.
- No systematic adjustment to off-scale salaries is mandated. Above-scale salaries will be increased in a manner consistent with campus guidelines.
- In line with established processes, the effective date is July 1, 2025, or October 1, 2025, depending on the academic appointee group or effective the first pay period commencing thereafter for biweekly paid appointees. The faculty general range adjustment will be effective October 1, 2025.

Other non-represented academic appointees

- The scales for policy covered non-faculty academic appointees (which includes policy-covered librarians and academic researchers) will be increased by a general range adjustment of 3.2% on July 1, 2025, for monthly paid or July 6, 2025, (the first pay period commencing after July 1, 2025) for biweekly paid academic appointees (the precise amount will vary due to rounding). Scales with ranges will be increased in a similar fashion.
- Pursuant to SB 525, the salary scales for policy covered non-physician clinical trainees, clinical psychology interns, and dental residents, will be adjusted to the July 1, 2025, SB 525 minimum wage (\$24/hour for non-exempt and \$74,880 for exempt). Policy-covered appointees in this group will receive at least a 3.2% increase through SB 525 and/or the academic salary program. Those appointees that did not receive an increase, or received an increase of less than 3.2%, related to SB 525, will receive the balance through the academic salary program.

Individual Salary Adjustments: Faculty Administrators and NSP

- Deans and other full-time faculty administrators will be eligible for up to a 3.2% increase to be awarded for meritorious performance as determined at the campus level, effective July 1, 2025.
- Academic titles not tied to systemwide salary scales or ranges will be eligible for an increase up to 3.2% as determined at the campus level, effective July 1, 2025.
- Faculty participating in the Negotiated Salary Program (NSP) for 2025-26 should negotiate their salaries assuming the 3.2% general range adjustment and any campus-based adjustment for off-scale increments and above-scale salaries, all effective on October 1, 2025.