
THE UNIVERSITY OF BRITISH COLUMBIA



Human Resources
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Date: May 13, 2010

To: Administrators or Department/Faculty Representative Responsible for Merit Pay Program

From: Kathleen Cheng, Manager, Compensation

CC: HR Advisors & Associates, Compensation Consultants/Associates, Joanne Young/Payroll, Jacqueline Sun/Budget Office, Pauline Brandes/UBC Okanagan, Carla Waters/UBC Okanagan

Re: 2010 M&P Performance-Based Merit Pay Program

Attachment: Department Spreadsheet of Eligible Employees

Available Online: 2010 Merit Instructions; 2010 Merit FAQs

Introduction

This is to advise that planning for the 2010 Merit Pay program is now underway. The purpose of the Merit Pay program is to recognize and reward meritorious performance for the period of July 1, 2009 to June 30, 2010 inclusive. Traditionally this program has been for M&P employees; however, starting last year three additional groups were included in the program: Non-union Technicians and Research Assistants (TRAs), Executive Administrative employees (excluded clerical), and Farm Workers.

The UBC Merit Pay program provides a tool to move employees who have demonstrated above average performance from the midpoint toward the maximum of their salary ranges by way of an ongoing increase to their base salary. There are also options available to award the meritorious performance of staff members who are already at the maximum of their salary range, including a one-time bonus, or professional development opportunities.

The focus of the Merit Pay program is to reward staff for meritorious performance. Other salary issues not related to merit pay should be resolved in a different manner – please contact your Administrator or a representative of UBC Compensation to discuss any such issues.

This memo provides information about the process for the Merit Pay program, including some important information and dates to be aware of.

Timing and Deadlines

In the past few years the Merit Pay program has been implemented in the fall. This fall implementation date has been in place for important reasons (e.g., to allow completion of the M&P compensation review, etc.); however, this has resulted in an unfortunate lag between the merit period and the merit pay, and has also resulted in the requirement for retroactive payments. This year we are

providing the information and spreadsheets early, in advance of the end of the performance period, to allow faculties/departments the opportunity to implement merit in closer conjunction with the end of the merit period. This should also reduce the requirement for retroactive payments.

For merit adjustments to appear on staff members' July 15, 2010 pay cheque, the following merit paperwork should be submitted by the noted timelines:

- Submit departmental spreadsheet to Joyce Wei in Human Resources by June 4, 2010, and
- Submit Staff Appointment Forms to your Payroll Representative by June 14, 2010.

We would like to conclude the Merit Pay program for all departments, except those using anniversary dates, by the end of October.

Eligibility Criteria:

As in the past, staff are eligible for merit increases if they meet the following criteria:

- At June 30, 2009 they were at or above the midpoint of their salary range, and
- At June 30, 2009 they have completed their probationary period.
- Employees who are currently at the maximum of their salary range are not eligible for ongoing salary increases. However, these employees can still be rewarded for meritorious performance through a one-time bonus payment, extra vacation time, or professional development opportunities.
- Performance reviews should be conducted for staff members on an annual basis, and are required to support performance-based Merit Pay decisions. Reviews may be conducted for all staff members at a single point in time each year, or they may be staggered throughout the year as staff members reach their anniversary dates. The Organizational Development & Learning department provides a performance evaluation tool that may assist you in conducting performance reviews: <http://hr.ubc.ca/odl/performancemanagement>.

Funding

There has been a significant change to the UBC budget process since last year's Merit Pay program was undertaken.

As you are aware, a core principle of the fundamental changes to UBC's budget process this past year was that departments/faculties should have the ability and responsibility to manage the full costs of their decisions within their resources.

In previous years, additional recurring funding was provided from the central budget to GPO-funded faculties/departments in the amount of 2% of eligible GPO-funded salaries. This process will not occur for the 2010 Merit Pay program, as well as future Merit Pay programs. Faculties/departments are required to fund the implementation of the 2010 Merit Pay program from existing faculty/department budgets.

Note, however, that the Okanagan campus has a separate budget process from the Vancouver campus. The Okanagan campus has determined that it will fund merit increases for eligible GPO positions at an average of 2% for the 2010 Merit Pay program. Future Merit Pay programs (2011 and beyond) will not be funded centrally; therefore, any merit increases awarded will be funded by existing faculty/department budgets. Questions about merit funding for departments/faculties at the Okanagan campus may be directed to Carla Waters at 250-807-8617 or carla.waters@ubc.ca.

General questions pertaining to the new budget process may be directed to Jacqueline Sun at the Budget Office (604-822-6411 or jacqueline.sun@ubc.ca).

Your Faculty/Department Spreadsheet

A spreadsheet of your faculty/department staff members who are eligible for the 2010 Merit Pay program is attached for your reference.

Note that there are a number of factors that may have resulted in staff members being excluded from your department spreadsheet. Please review your spreadsheet, and if you have questions about why a staff member is not included, please contact Joyce Wei (604-822-6865 or joyce.wei@ubc.ca).

Other Important Notes

If your department has used July 1st as the implementation date for Merit Pay in the past, please continue to use this date. Other options for the Merit Pay effective date are employee anniversary dates or the department's fiscal/business year.

If possible, please keep your staff informed about the process and timelines associated with the Merit Pay program, and please encourage them to use the Employee Self-Service web application to view their Merit increases on their pay cheques online (<http://www.msp.ubc.ca>).

For Additional Information and Questions

Please visit the UBC Merit Pay program web site at <http://www.hr.ubc.ca/comp/merit/>, for the following resources:

- Instructions for completing your department spreadsheet,
- Step-by-step instructions for implementing Merit Pay, and
- Frequently Asked Questions (FAQs).

Should you have any questions related to the Merit Pay program, please contact Joyce Wei at 604-822-6865, or by e-mail at joyce.wei@ubc.ca.

Thank you