

University of Wisconsin – Madison
Salary Adjustments– Justification
Supporting Tool to Policy [UW-5023](#) Salary Adjustments

Last Updated 11.1.2021

All pay adjustments noted in this document must be awarded in accordance with the Office of Human Resources Pay Adjustments Policy ([UW-5023](#)). The Office of Human Resources (OHR) must approve all base adjustments for UW-Madison employees outside of the pay plan. **Until final approval is obtained by OHR, no university official is authorized to promise a base adjustment to an employee.**

For more information, refer to:

- **ELIGIBILITY:** To verify which employee classes are eligible and the types of adjustments that can be awarded see:
- **AMOUNT:** To determine amounts that can be awarded see: [Salary Administration Guidelines](#) and [Salary Adjustment Tools and Mechanisms Amount Matrix](#)
- **OVERLOADS:** To evaluate situations qualifying as Overloads rather than salary adjustments, see [UW-5031: Overload](#).

BASE BUILDING ADJUSTMENTS

Type of Salary Adjustment	When Request is Needed	Evidence for Need	Supporting Documentation
<p>Parity (HRS Code 041)</p> <p>Sample Justification Wording</p> <p><i>For Faculty, see:</i> https://provost.wisc.edu/academic-policies-and-guidelines/standard-salary-equity-review-policy/</p>	<p>To correct for inequity compared to staff of similar training, performance, experience and responsibilities –OR - when inequities are created by hiring new employees at rates higher than existing staff – OR – to address significant pay compression.</p>	<ul style="list-style-type: none"> Evidence of necessity to hire new employees at higher levels; and/or Evidence of pay compression between an employee and their immediate subordinates or peers with fewer years of service 	<ul style="list-style-type: none"> Analysis of the effect of adjustments on the salary structure within the department (and division) including the effect on equity (must identify those receiving an increase and those who are not; explain why) Identification of newly hired employees & salaries (if applicable) Identification of the “similarly situated group of employees” (if applicable) Methodology/formula used to determine the adjustments Statement regarding the performance level of the individual (i.e., satisfactory performance)
<p>Equity (HRS Code 006)</p> <p>Sample Justification Wording</p>	<p>To rectify a situation in which inequitable salary relationships exist in categories protected by state and federal law (race, color, gender, religion, sex, national origin, age, and/or disability)</p>	<ul style="list-style-type: none"> Evidence of inequity in categories protected by state and federal law 	<ul style="list-style-type: none"> Analysis of the effect of adjustments on the salary structure within the department (and division) including the effect on parity (must identify those receiving an increase and those who are not; explain why) Identification of the “similarly situated group of employees” (if applicable) Methodology/formula used to determine the adjustments
<p>Market Factor Adjustment</p>			

Type of Salary Adjustment	When Request is Needed	Evidence for Need	Supporting Documentation
<p>Retention (HRS Code 081)</p> <p>Sample Justification Wording</p>	<p>To retain one or more employees when there is a serious retention problem due to increased interest to take outside positions with comparable duties and responsibilities at higher levels of pay</p>	<ul style="list-style-type: none"> Evidence of a retention problem such as a recent pattern of employees in the same discipline/unit leaving to take positions outside UW Madison; or Employment offer outside UW Madison or UW System 	<ul style="list-style-type: none"> Summary of the retention issue Statement regarding the performance level of the individual (i.e., exemplary performance) Statement of the effect of adjustments on the salary structure within the department (and division) including the effect on equity and parity Statement indicating comparable duties and responsibilities
<p>Competitive (HRS Code 080)</p> <p>Sample Justification Wording</p>	<p>To retain one or more employees when there is no outside offer or specific example of current retention problems, but there is evidence of a potential retention problem</p>	<ul style="list-style-type: none"> Identification of potential retention problems based on peer market data and/or placement in established salary range (for example, less than 85% Compa Ratio or lower than 25% PIR). 	<ul style="list-style-type: none"> Data showing that the current salaries are below the external labor market Statement regarding the performance level of the individual (i.e., satisfactory performance) Identification of individual(s) and the methodology/policy for the adjustments Statement regarding the effect of adjustments on the salary structure within the departments including and excluding the effect on equity and parity
<p>Performance (HRS Code 091)</p> <p>Sample Justification Wording</p>	<p>May be awarded for achievements, based on a structured and consistent process that links employee compensation to employee performance. Notable, sustained performance that meets and exceeds established standards of a job.</p>	<ul style="list-style-type: none"> Length or frequency of the outstanding performance; and/or Overall significance of the employee's work products; and/or Regularity with which the outstanding performance or unique contribution is demonstrated; and/or 	<ul style="list-style-type: none"> Copy of the latest performance review (on file)

Type of Salary Adjustment	When Request is Needed	Evidence for Need	Supporting Documentation
<p>Change in Unique Responsibilities, No Change in Title</p> <p>(HRS Code 001)</p> <p>Sample Justification Wording</p>	<p>May be requested when there are permanent changes to an employee’s unique responsibilities</p> <p>All requests should include a review to determine if a new title is more appropriate based upon the change.</p>	<ul style="list-style-type: none"> List of current responsibilities with a comparison list of proposed responsibilities; And explanation of how the change in responsibilities came to be; and Evidence of a substantial change in responsibilities (qualitative rather than just quantitative); and This is typically considered a year or more after taking a new position, unless there are extenuating circumstances 	<ul style="list-style-type: none"> Updated version of job responsibilities Updated organization chart (if applicable)
<p>Change in Responsibilities & Title –</p> <p>Promotion – HRS Position Change: (003)</p> <p>Lateral – HRS Position Change: (001)</p> <p>Or</p> <p>Demotion – HRS Position Change (005)</p> <p>Rate Change (HRS Code 001)</p>	<p>May be requested when a filled position is assigned to a different title and standard job description based on permanent changes to the responsibilities resulting from changes in the organization’s business needs.</p>	<ul style="list-style-type: none"> See” EVALUATING JOB TITLE CHANGES within the JOB FRAMEWORK” Job Aid The movement from an Organizational Contributor to a Management track title may not be allowable under this type of change; it may require recruitment. This type of adjustment may not be available for movement into a Limited title from a non-Limited title, unless the non-Limited title is a Faculty title. This type of adjustment may not be available when the title 	<ul style="list-style-type: none"> See” EVALUATING JOB TITLE CHANGES within the JOB FRAMEWORK” Job Aid If employee will be assigned to a different title set, include: <ul style="list-style-type: none"> explanation how skills and abilities needed to perform the work are very similar, and identification of other similarly situated employees, and statement/justification why responsibilities are being reassigned to employee, instead of other similarly situated employees

Type of Salary Adjustment	When Request is Needed	Evidence for Need	Supporting Documentation
<p>Sample Justification Wording</p> <p><i>For Faculty, Information on Faculty Promotions (https://www.ohr.wisc.edu/docs/InformationOnFacultyPromotions.pdf)</i></p>		<p>change is a result of a vacancy; it may require recruitment.</p>	
<p>Temporary Change in Responsibilities (No Change in Title) (HRS Code 025)</p> <p>Sample Justification Wording</p>	<p>The rate increase for an employee who assumes temporary responsibilities such as a temporary assignment while the unit is recruiting for a permanent position; an assignment of an unusual, short-term or non-recurring nature; or a temporary administrative or work assignment</p>	<ul style="list-style-type: none"> List of current responsibilities with a comparison list of proposed responsibilities; and Explanation of how the change in responsibilities came to be, and expected duration; and Evidence of truly new responsibilities – not just more of the same; and If interim responsibilities, must have evidence that the new responsibilities are only a portion of another position 	<ul style="list-style-type: none"> Updated version of job responsibilities including responsibilities of the temporary assignment Updated organization chart (if applicable)

BONUS (LUMP SUM) PAYMENTS

All Lump Sum adjustments are processed via Workflow for Additional Pay – (WfaP)

Type of Pay Adjustment	When Request is Needed	Evidence for Need	Supporting Documentation	HR System Used
Performance Bonus (Lump Sum) Exempt and Non-Exempt Staff Sample Justification Wording Bonus (Lump Sum) Codes HPE US UPE FAASLI	Employee performs a task or completes a large project and the employer would like to reward the work with a one-time payment.	<ul style="list-style-type: none"> • Division leadership may determine when to provide 	<ul style="list-style-type: none"> • Copy of the latest performance review (keep on file and provide date in request) • Information on the completion of a large project or department event • Statement regarding the employee's performance 	
	Performance No IC/IC 19 Performance No IC/IC 18			

Sample Justification Wording

Parity (HRS Code 041)

Example #1: between similar staff

The Department of DEPARTMENT is requesting a base pay increase for EMPLOYEE based on internal parity between similar staff (same or similar classification). EMPLOYEE has satisfactory performance. EMPLOYEE is a TITLE with a current annual

salary of \$72,000, as compared with these other employees (see attached salary spreadsheet): EMPLOYEE #1 \$75,000; COMPARISON EMPLOYEE #2 \$76,000.

We request a pay increase for EMPLOYEE to \$75,000, to bring them in line with these other similarly situated employees. We have taken performance, skills and experience of the employee and peers into consideration. We have reviewed the impact of this adjustment on the internal parity of the Department and believe the adjustment is needed to maintain internal parity.

Example #2: hiring new employees at higher rates

The Department of DEPARTMENT is requesting a base pay increase for EMPLOYEE based on internal parity created by hiring new employees at higher rates. EMPLOYEE was hired as a TITLE on DATE and is being compensated lower than recent new hires in the same title performing similar work who have less experience. EMPLOYEE has satisfactory performance. Their current rate is \$25.60/hour, as compared with these other new hires (see attached salary spreadsheet):

- COMPARISON EMPLOYEE #1 hired in DATE at \$26.60/hour
- COMPARISON EMPLOYEE #2 hired in DATE at \$27.00/hour
- COMPARISON EMPLOYEE #3 hired in DATE at \$24.00/hour and is less experienced than all peers in the Department

Finalists during the last recruitment indicated they had received job offers for similar positions at \$27.00-29.00/hour. We request a pay increase for EMPLOYEE to an annual salary of \$28.00/hour to bring them above the rate of these comparison employees, since they have 4 years more experience than his peers. We have taken performance, skills and experience of the employee and peers into consideration. We have reviewed the impact of this adjustment on the internal parity of the Department and believe the adjustment is needed to maintain internal parity.

Example #3: Compression

The Department of DEPARTMENT is requesting a base pay increase for EMPLOYEE based on internal parity compression between employee/supervisor. EMPLOYEE has satisfactory performance. EMPLOYEE is a TITLE with a current annual salary of \$80,000, supervising COMPARISON EMPLOYEE #1, who was recently promoted to TITLE at \$78,000 (see attached salary spreadsheet).

We request a pay increase for EMPLOYEE to \$85,000, to increase the pay differential between EMPLOYEE and COMPARISON EMPLOYEE #1 and bring EMPLOYEE'S pay in line with others in the same title in the division. We have taken performance, skills and experience of the employee and peers into consideration. We have reviewed the impact of this adjustment on the internal parity of the Department and believe the adjustment is needed to maintain internal parity.

Example #4: Faculty Salary Parity Review

An additional type of equity review specifically for Faculty; Guidelines set by Office of the Provost – see “Guidelines for Implementation – Standard Faculty Salary Equity Review” (<https://provost.wisc.edu/academic-policies-and-guidelines/standard-salary-equity-review-policy/>).

Parity Adjustment for MARTHA WASHINGTON

We request a base pay increase of \$XX for Dr. MARTHA WASHINGTON. Upon completing the annual faculty salary equity study, the Department of Money identified Dr. MARTHA WASHINGTON as a candidate for an equity increase. Dr. WASHINGTON'S current UW base rate of \$XX,XXX is low compared to peers within the department. Dr. WASHINGTON is a PhD Associate Professor and the mean for all Associate Professor PhD faculty is \$XX,XXX (\$XX,XXX if Dr. WASHINGTON is excluded).

Dr. WASHINGTON, PhD is a basic science researcher appointed as an Assistant Professor in March of 2010 with an Institutional Base Salary of \$XX,XXX. They were promoted to Associate Professor in July of 2015. Dr. WASHINGTON is one of five PhD associate professors within the Department of Money and has the lowest base salary of that group. When comparing Dr. WASHINGTON with all PhD faculty in the department, we noted that there are four Assistant Professors that are within \$5,000 or less of Dr. WASHINGTON'S salary.

[EXPLAIN WHY/HOW COMPARABLES WERE CHOSEN AND PROVIDE SALARY EQUITY SPREADSHEET]: Dr. WASHINGTON has the same research and teaching services responsibilities as that of peers with research time devoted to the general field of Coins with specific expertise in the Penny. Dr. WASHINGTON has 15 awards and 65 publications. As shown below and noted on the

spreadsheet provided (" Salary Equity Review-Faculty Comparison"), responsibilities, awards and publications relative to comparable faculty confirm that an adjustment to maintain equity of Dr. WASHINGTON'S salary is appropriate.

Comparable Department of Money faculty members are:

1. George Washington, PhD (Associate Professor, Division of the One Dollar, \$XX,XXX)

Basic science researcher recruited in January 2010 as an Assistant Professor and promoted to Associate Professor in July 2016.

Basic Responsibilities: This position involves research and teaching services as expected of a tenure track faculty member. Research time devoted to the field of one dollar bills and quarters. An equitable role in the teaching activities of the Division of the One Dollar along with fellow conference.

Number of Awards: 10; Number of Publications: 30

2. Andrew Jackson PhD (Associate Professor, Division of Twenty Dollars, \$XX,XXX)

Basic science researcher recruited in August 2004 as an Assistant Professor and promoted to Associate Professor in July 2012.

Basic Responsibilities: This position involves research and teaching services as expected of a tenure track faculty member. Research time devoted to the general field of twenty dollar bills. An equitable role in the teaching activities of the Division of Twenty Dollars along with fellow conference.

Number of Awards: 16; Number of Publications: 81

3. Janet Yellen PhD (Associate Professor, Division of Federal Reserve, \$XX,XXX)

Psychology/social researcher recruited in August 2011 as a Visiting Associate Professor and appointed in June 2014 to their first faculty position.

Basic Responsibilities: This position involves research and teaching services as expected of a tenure track faculty member. Research time devoted to the general field of money and the federal reserve. An equitable role in the teaching activities of the Division of Federal Reserve along with guest lecturer attendance.

Number of Awards: 11; Number of Publications: 32

Equity (HRS Code 006)

The Department of DEPARTMENT is requesting a base salary increase for EMPLOYEE based on inequity in protected categories between similar staff (same or similar classification). We have taken performance, skills and experience of the employee and peers into consideration. We have reviewed the impact of this adjustment on the internal equity of the Department and believe the adjustment is needed for internal equity.

EMPLOYEE is a TITLE with a current annual salary of \$72,000, as compared with these other employees (see attached salary spreadsheet): COMPARISON EMPLOYEE #1 \$75,000; COMPARISON EMPLOYEE #2 \$76,000. We request a salary increase for EMPLOYEE to \$75,000, to bring them in line with these other similarly situated employees.

Market

A. Market - Retention (HRS Code 081)

Example #1: All Employment Categories except Faculty

The Department of DEPARTMENT requests a base salary increase for EMPLOYEE due to Market – Retention.

[PROVIDE SUMMARY OF THE RETENTION ISSUE; may include serious retention problem due to increased interest to take outside positions with comparable responsibilities at higher level of salary (examples: applying/interviewing for positions outside UW; being actively recruited for positions outside UW); recent pattern of employees in the same discipline/unit leaving to take positions outside UW; or an employment offer from outside UW.]

EMPLOYEE consistently has excellent performance in their work. We wish to retain the employee because *[LIST REASONS FOR RETENTION]*.

In recommending this increase, the department studied the salary structure of the department, the external market and internal parity.

Example #2: Faculty

Professor LAST NAME has exceeded expectations in the areas of research, teaching and service. Professor LAST NAME has recently been recruited by UNIVERSITY for a position as a member of their faculty. In an effort to convince Professor LAST NAME to end negotiations for a possible outside offer with UNIVERSITY, the departmental Executive Committee voted to make a preemptive retention offer which Dean LAST NAME authorized contingent on OHR approval.

In recommending this increase, the department studied the salary structure of the department, considered issues of parity and the prospect of future compensation opportunities and analyzed the recent history of raises, retentions, and unsuccessful retention efforts in the department as well as the current external market in order to set the final rate.

B. Market – Competitive (HRS Code 080)

Example #1: All Employment Categories except Faculty

The Department of DEPARTMENT requests a base salary increase for EMPLOYEE due to Market – Competitive.

Market data for TITLE in the [salary survey] shows a median of \$85,000, well above EMPLOYEE’s rate of \$80,000. This gap in pay raises retention concerns for this position, and we request to increase EMPLOYEE’s base salary to \$XX,XXX to address this.

EMPLOYEE consistently has excellent performance and we wish to retain them. [*PROVIDE REASONS FOR RETENTION*]

In recommending this increase, the department studied the salary structure of the department, the external market and internal parity.

Example #2: Faculty

Professor NAME has exceeded all expectations as a faculty member in the Department of DEPARTMENT in the areas of research, teaching and service. Their service to the profession and department has been exemplary. [*PROVIDE EXAMPLES OF EXEMPLARY*

SERVICE, for example: They are a prolific scholar of AREA OF EXCELLENCE who has published extensively in their field. They are an excellent undergraduate teacher and taken the lead teaching courses that prepare our undergraduate students for careers and graduate students for the teaching profession.]

With this increase, their salary rate will be at \$XX,XXX, below the 2017-2018 AAUDE average of \$XX,XXX [*Note: OHR HAS AAUDE DATA*]. In recommending this increase, the department carefully studied the salary structure of the department, considered issues of parity and the prospect of future compensation opportunities and analyzed the recent history of raises and retention efforts in the department as well as the external market, in order to set the final rate.

Performance (HRS Code 091)

EMPLOYEE has a favorable annual performance evaluation on file (DATE*) and has completed the required UW-Madison training on sexual harassment and violence prevention and cybersecurity.

[* *Note: In the Rate/Title system, the date of the performance evaluation must be added into a date field on the justification tab, but the system will automatically insert this wording into the justification section for the user. However, in the “Workflow for Add’l Pay” (WfAP) system, the language above must be added by the user.]*

Change in Unique Responsibilities – No Title Change (HRS Code 001)

Example #1: All Employment Categories

The Department of DEPARTMENT requests a base salary increase for EMPLOYEE due to Permanent Change in Responsibilities.

EMPLOYEE began employment as a CURRENT TITLE with UW Madison, Department of DEPARTMENT on DATE. The primary function of this position was [*LIST PRIMARY RESPONSIBILITIES/FUNCTION*].

EMPLOYEE has taken on new responsibilities:

1. [*Describe and list the primary new unique responsibilities*]

2. *[Explain how these new responsibilities became associated with this person's position]*
3. *[If responsibilities are changing less than a year after taking the new position, explain why]*

These new responsibilities represent significant additions and broaden the scope of this employee's position and contribute to the success of our organization.

Change in Responsibilities and Change in Title (HRS Code 003)

A. Faculty

Promotion from [choose one: Assistant Professor C40NN to Associate Professor C30NN; or Associate Professor C30NN to Professor C20NN] was approved by Dean and will become effective DATE. Documentation is stored at the school, college or division.

B. All other Staff

See" EVALUATING JOB TITLE CHANGES within the JOB FRAMEWORK" Job Aid

Temporary Change in Responsibilities (HRS Code 025)

Example #1:

The Department of DEPARTMENT requests a base salary increase for EMPLOYEE due to Temporary Change in Responsibilities.

EMPLOYEE began employment as a CURRENT TITLE with UW Madison, Department of DEPARTMENT on DATE. The primary function of this position was *[LIST PRIMARY RESPONSIBILITIES/FUNCTIONS]*. EMPLOYEE has taken on new responsibilities that represent a substantial qualitative change in the position.

EMPLOYEE has taken on new responsibilities:

1. *[Describe and list the primary new responsibilities.]*
2. *[Explain how these new responsibilities became associated with this person's position]*

3. *[If responsibilities are changing less than a year after taking the new position, explain why]*

These new responsibilities represent significant additions and broaden the scope of this employee's position and contribute to the success of our organization.