



University of Kentucky
Office of the EVPFA

University of Kentucky
Office of the Provost

May 15, 2025

Dear Colleagues,

In June, President Capilouto will be proposing to the Board of Trustees a FY 2025-26 Salary Plan in alignment with our goal of recognizing faculty and staff contributions. The salary plan applies to all eligible faculty and staff at the university, excluding UK HealthCare (UKHC) employees (Personnel Area = 1500) as UKHC operates on a separate salary review cycle.

Pending Board of Trustees approval, the salary plan is effective July 1, 2025, and includes an across-the-board salary increase of 1.5% for eligible faculty and staff with a minimum allocation of \$750 (pro-rated for less than 1.0 full-time equivalent assignments).

The FY 2025-26 Salary Plan Guidelines, including a summary of the plan, is attached. The accompanying guidelines describe the eligibility requirements and process for awarding the salary increase.

We greatly appreciate the outstanding work faculty and staff do on behalf of the University of Kentucky.

Sincerely,

Eric N. Monday
Executive Vice President for Finance and
Administration and Co-Executive Vice President
for Health Affairs

Robert DiPaola
Provost and Co-Executive Vice
President for Health Affairs

Attachment

C: President Eli Capilouto

University of Kentucky
FY 2025-26 Salary Plan Guidelines
FACULTY AND STAFF
(Excluding UK HealthCare)
Effective July 1, 2025

One of the principles of our strategic plan is "Taking Care of our People." That includes how we compensate our faculty and staff for their contributions. The proposed salary increase, defined by the FY 2025-26 Salary Plan Guidelines for all eligible faculty and staff, prioritizes recognizing our people in a year where there are challenges facing higher education.

Overview

1. A 1.5% salary increase is to be distributed across the board to eligible staff and faculty with a minimum allocation of \$750 (pro-rated for less than 1.0 full-time equivalent assignments).
2. The salary increases may not be augmented regardless of fund source.
3. Salary increases will be effective July 1, 2025.
4. These guidelines apply to campus faculty and staff. UK HealthCare (UKHC) operates on a separate budget cycle and UKHC will communicate salary increase plans at a later date. A UKHC employee is defined as anyone whose personnel area in the employee enterprise structure was equal to 1500 at the time of allocating the salary increase.
5. Do not distribute FY 2025-26 salary letters to faculty or staff until notified by the appropriate Area Fiscal Officer.

Eligibility

1. To be eligible to receive a salary increase, regardless of fund source, faculty and staff must:
 - Have held a regular position as of January 31, 2025.
 - Not currently be on a phased retirement appointment.
 - Be in a regular position at the time the allocation is made during the budget process (Personnel Subareas = 0001 – 0005).
 - Not be considered a UKHC employee (Personnel Area = 1500) at the time of salary allocation.
2. Regular faculty and staff on military or other federally protected leave are eligible for a salary increase.

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Eligibility (continued)

3. Faculty and staff must have demonstrated at least satisfactory work performance for the 2024 calendar year as measured by the performance evaluation score or other indicator(s) to receive a salary increase. For example, staff must have demonstrated at least satisfactory work performance for the 2024 calendar year as measured by a performance evaluation score greater than or equal to 2.0.
4. Faculty and staff with no documented performance score or indicator(s) for the 2024 calendar year are eligible for a salary increase if their performance was deemed at least satisfactory by the department or unit head.

Operational considerations

1. Eligible faculty and staff with satisfactory performance for the 2024 calendar year will receive a 1.5% salary increase with a minimum allocation of \$750 (pro-rated for less than 1.0 full-time equivalent assignments). Faculty and staff with unsatisfactory performance are not to be awarded a salary increase.
2. The salary increase shall be based on the eligible faculty and staff's salary in effect on January 31, 2025. For any eligible faculty or staff whose base salary changed on or after February 1, 2025, the salary increase amount shall be based on the faculty or staff's base salary in effect on January 31, 2025, and then added to the employee's current base salary to determine their new base salary.
3. Promotions for faculty holding positions funded with undesignated general funds (coded as FCC = S, M or N) will be funded from a separate pool of funds provided to the Areas. Salary adjustments for faculty promotions shall be added to the applicable faculty's salary effective July 1, 2025.
4. In rare cases whereby funds for salary increases are not available from the position's current fund source, other funds must be identified. Lack of funding from a position's original funding source cannot prevent awarding a salary increase to eligible faculty or staff. For example, a faculty member appointed to an endowed chair or professorship has a portion of their current salary and benefits funded from the endowment spending distribution. If there is insufficient recurring funding from the endowment to fund the proportionate salary and benefit cost increases, other fund sources must be identified.

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Process

1. The salary increases will be entered into the university's budget system, Axiom, using the appropriate Axiom screens with the salary reason code of "Other."
2. Salary increases related to faculty promotions shall be entered into Axiom with the salary reason code of "Promotion." Although a college may choose to supplement the faculty promotion amount beyond the university's standard rates, it is expected that any additional funding will come from recurring resources within the college's budget, excluding the annual salary increase pool.

Funding

1. The salary increases for positions funded with undesignated general funds (coded as FCC = S, M or N) will be funded centrally, including benefits. Funding of the salary increases for positions funded from sources other than FCC = S, M or N must be identified and distributed within the college or unit in accordance with these guidelines.