



31.01.08.D1 Merit Salary Increases

Approved: July 29, 2013
Revised: March 17, 2017
Next Scheduled Review: March 17, 2020

Rule Statement

Texas A&M University-Central Texas (A&M-Central Texas) awards salary increases, including merit raises and merit payments, to employees that demonstrate outstanding job performance in accordance with System Regulation 31.01.08, *Merit Salary Increases*.

Reason for Rule

This rule is required by System Regulation 31.01.08, *Merit Salary Increases*. It provides procedures to be used when granting a merit raise or a merit payment to employees.

Procedures and Responsibilities

1. ELIGIBILITY FOR THE MERIT SALARY PROGRAM

- 1.1 A&M-Central Texas authorizes a merit plan for its employees, details of the plan will be reviewed and approved annually by the President.
- 1.2 Employees including faculty, professional, administrative, and support employees in classified and non-classified positions employed at A&M-Central Texas with at least a “satisfactory” performance rating are eligible for the merit salary program.

2. AWARD OF MERIT SALARY INCREASES

- 2.1 Merit increases, raises and payments, are granted during the fiscal year at a time determined by the President during the budget cycle in accordance with budget guidelines approved by the Board of Regents.
- 2.2 The merit salary increases shall be funded during the budget cycle with available university funds or fee revenue. A merit pool will be created from non-fee available university funds from which each department will receive a pool of funds equivalent to the total salaries of non-vacant positions times the merit percentage determined by the President. Departments with salaries paid from fee revenue specific accounts will be required to make available a merit pool determined in the same manner as other departments. Merit increases granted at

other times during the fiscal year will be funded from within the existing budget of the each department of A&M-Central Texas.

- 2.3 All merit salary increases shall be recommended through proper channels and approved by the President.
- 2.4 Merit salary increases for employees shall be treated as payroll items subject to standard withholdings and deductions.
- 2.5 Employees are not eligible for merit salary increases until the completion of six months of employment.
- 2.6 Merit salary increases shall not be granted within six months of the employee's last merit increase.

3. MERIT RAISE/MERIT PAYMENT CRITERIA

- 3.1 An employee who demonstrates sustained superior performance, evidenced by an above average or excellent overall rating on a current performance evaluation may be recommended for a merit salary increase which could be in the form of a merit raise or a merit payment. The performance evaluation period is April 1 to March 31.

4. MERIT RAISES

- 4.1 Clearly exceptional performance or accomplishment may occur for which an out-of-cycle merit raise may be appropriate. Very strong evidence should be presented to justify this raise.
- 4.2 Merit raises may be awarded in accordance with the following guidelines:
 - 4.2.1 Merit raises should be based on the criteria in Section 3 above.
 - 4.2.2 The employee's performance must be documented on an Employee Performance Evaluation Form completed within the past six months.
 - 4.2.3 Approval is determined by Divisional Vice President in collaboration with the Department Director or Dean.
- 4.3 If the proposed merit raise would make an employee's individual salary exceed the maximum of his/her assigned salary range, the President must approve the merit raise.

5. MERIT PAYMENT

- 5.1 Merit payments are recognition of superior performance or increased responsibilities. The amount of merit payment that may be awarded to an employee as part of the Merit Payment Program for each fiscal year, as determined by a plan approved by the Divisional Vice President in collaboration with the Department Director or Dean.

- 5.2 Merit payments may not exceed 10% of base salary, up to a maximum of \$5000, without prior authorization of the President.

6. PROCEDURES

- 6.1 Supervisors will develop their justifications for merit raises or merit payment based on the performance that is clearly above that which is expected from the position, or in the case of merit pay a significant contribution, accomplishment or recognized cost saving innovation.

Related Statutes, Policies, or Requirements

System Regulation [31.01.08, Merit Salary Increases](#)

Definitions

Base Salary: The base salary is the annual salary that is provided to the non-faculty member that is supported by the non-faculty compensation plan and is a function of the zone assigned to the position. Zone is computed by the process of job classification which takes into account factors such as complexity, knowledge and skills, leadership, scope and impact, and relationships.

Merit Raises: Non-faculty merit raises may be granted based on established meritorious criteria, defined as sustained superior performance, supported by performance evaluations and other similar supervisory documentation or evidence of outstanding achievement. A merit raise increases the non-faculty member's base salary. Merit salary raises are compensation as defined under Texas Government Code §822 and are eligible for all general deferral plans offered by the System.

Merit Payments: Non-faculty merit payments may be granted based on established meritorious criteria, defined as sustained superior performance over a period of one year, supported by performance evaluations and other similar supervisory documentation or evidence of outstanding achievement. A merit payment may not increase the non-faculty member's base salary. Merit payments are not considered compensation as defined under Texas Government Code §882 and are only eligible for the optional portion of the §403(b) deferred annuity plan and the §457 deferred compensation plan. They are not eligible for mandatory contributions under either the §401(a)/TRS or the §403(b)/ORP program.

Contact Office

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