

Section: Employee/Labor Relations

Section Number: 4.8.12

Subject: Merit Pay

Date of Present Issue: 04/09/96

Date of Previous Issues:

POLICY:

1. The President and vice presidents will receive a percentage of their department's current base salaries for general merit increases for Administrative/Professional exempt and full-time non-exempt staff. The percentage will be determined annually based on available resources. They will allocate these funds as they deem appropriate for individual increase determinations. The President and vice presidents, based on available resources, may receive additional amounts to resolve salary adjustment problems such as equity, market, promotions, etc. Such cases are extraordinary and are to be accompanied by appropriate written justification to the President's Cabinet for review and final determination. Individuals hired January 1 or later, of the fiscal year under review, will not be eligible for merit pay consideration.
2. The foremost consideration in determining individual increases is merit, therefore, differential increases are to be determined on the basis of an evaluation of the performance of each staff member relative to the requirements of his or her position. An annual written performance evaluation must be filed in the Employee Relations Office prior to any employee receiving a merit increase for that year. It is presumed that written performance evaluations for every year are on file for that employee.

Factors which are generally considered in performance evaluations include:

The extent to which the individual is successful in meeting the duties, responsibilities, goals and objectives of the job.

The extent to which the individual is successful in meeting the goals and objectives contained in the University's Strategic Plan for which they are responsible.

The way in which the individual executes duties to achieve desired/positive results.

The management/supervisory and staff development skills demonstrated to achieve unit objectives and maintain daily operational activities.

The effective use of interpersonal and/or communication skills to accomplish tasks.

Personal growth and development undertaken to improve or enhance performance.

Initiative and innovation demonstrated in the job.

3. **Salary Equity Consideration** It is the responsibility of the President and each vice president to assure that equitable salary relationships are maintained within their area. Appropriate salary relationships should be maintained for staff within the same classification or related classifications, considering such distinguishing factors as professional qualifications, including educational attainment, performance, and length of service. Special care should be exercised to assure that salary differences are independent of discriminatory factors, such as race and gender. Appropriate differentials should also be maintained between supervisors and subordinates.
4. **Lump Sum Payment** At the option of the President or vice president, the employee may be paid a lump sum, one time salary supplement in lieu of a base pay merit increase. An individual merit increase may consist of a) an adjustment to base salary, b) a one time lump sum payment, or c) a combination of base salary adjustment and lump sum payment.

Lump sum payments are required for the portion of merit increase which is in excess of the maximum rate for an employee's salary range.

One time lump sum payments are a non-recurring expense. Such one-time payments will be paid on a payday to be determined by the University. Only staff who have demonstrated satisfactory performance may be considered for such lump sum salary supplement payments.

5. The President and vice presidents shall forward final salary adjustments to the Employee Relations Office.