

31.01.08.E1 Merit Salary Increase

Approved August 2, 2002 Revised November 20, 2008 Revised January 25, 2012 Revised January 22, 2016 Revised February 2, 2021 Revised May 21, 2025 Next Scheduled Review: May 21, 2030

Supplements System Policy 31.01, System Regulation 31.01.08

Rule Summary

This rule is set forth to provide guidance on merit salary increases for engineering staff and faculty employees. Merit salary increases may take the form of either a merit raise or a one-time merit payment as defined below. A merit salary increase may be granted in recognition of outstanding job performance, in accordance with System Regulation *31.01.08, Merit Salary Increases*, and this rule.

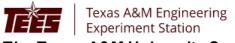
Definitions

Merit Raise: A merit salary raise that is added to the employee's base salary.

<u>One-Time Merit Payment</u>: A one-time, lump-sum payment that is not added to the employee's base salary and is subject to standard payroll deductions.

Procedures and Responsibilities

- 1. GENERAL
 - 1.1 Merit salary increases are governed by System Regulation *31.01.08*, *Merit Salary Increases* and may be awarded for work exceeding expectations of the job; outstanding service; successful completion of a special project of significance warranting special recognition, or efficient use of state resources that result in significant savings.
 - 1.2 Merit salary increases may not be funded every fiscal year due to fiscal constraints or other budget considerations. Merit programs are authorized by The Texas A&M University System (System) member CEO and approved by the Board of Regents (Board) during the budget approval



The Texas A&M University System Texas A&M Engineering Experiment Station (TEES)

process. Merit salary increases within each division are based on annual budget guidelines and are not considered to be entitlements.

- 1.3 Temporary/Casual employees are typically not eligible to receive merit salary increases.
- 1.4 One-Time Merit Payment:
 - 1.4.1 If the criteria of this rule are met, a one-time merit payment up to \$5,000 (cannot be grossed up) may be awarded outside the regular budget cycle. During the regular budget cycle, one-time merit payments should follow criteria included in the Board-approved budget guidelines and instructions issued by the chancellor.
 - 1.4.2 A merit salary increase may include the combination of a merit raise and a one-time merit payment with the same effective date.
 - 1.4.3 In the case of staff positions and non-faculty research employees in the System-wide Pay Plan (SWPP) titles, who are compensated near or above the SWPP title pay grade maximum, a one-time merit payment may be considered as an alternative to a merit raise to their base salary. Contingent upon available funding.
- 1.5 Student Positions:
 - 1.5.1 For guidance on student positions (including graduate assistants), refer to section 4.

2. CRITERIA

- 2.1 Merit Salary Increase Regular Budget Cycle:
 - 2.1.1 Employees demonstrating sustained superior performance may be recommended for a merit salary increase. This increase should not be associated with a promotion or change in job title resulting from a substantive change in duties. To be eligible for a merit salary increase, the employee must meet the following criteria:
 - 2.1.1.1 Receive a "meets expectations" or higher overall rating on the most recent performance evaluation. Performance evaluations are to be conducted in accordance with System Regulation 33.99.03, *Performance Evaluations for Nonfaculty Employees*.
 - 2.1.1.2 Be in compliance with all required System trainings.



The Texas A&M University System Texas A&M Engineering Experiment Station (TEES)

- 2.1.1.3 Be employed with the System for at least six continuous months prior to the effective date of the merit salary increase.
- 2.1.1.4 The employee has not received a merit salary increase within the past six months prior to the effective date of the merit salary increase.
 - 2.1.1.4.1 Note: In any instance where an employee received a merit salary increase effective September 1st, the first opportunity for that employee to be awarded another merit salary increase would be March 1st. A merit salary increase awarded after March 1st will make the employee ineligible to receive a merit salary increase the following September 1st.
- 2.1.2 Merit salary increases awarded during the regular budget cycle must also consider criteria included in the Board-approved budget guidelines and instructions issued by the chancellor.
- 2.2 Merit Salary Increase Outside Regular Budget Cycle:
 - 2.2.1 A merit salary increase may be granted outside the regular budget cycle, effective March 1st, in rare exceptions. An employee receiving a merit salary increase outside of the regular budget cycle must meet the criteria described in section 2.1.
 - 2.2.2 Requests for these increases must be submitted through Engineering Human Resources and approved by Engineering Administration in advance.
 - 2.2.3 Typically, merit salary increases occur only during the regular budget cycle. However, in rare cases, clearly demonstrated meritorious performance or completion of a special project of significant importance to warrant special recognition, may warrant a merit salary increase to be granted outside the regular budget cycle.
 - 2.2.3.1 Justifications must provide strong evidence as to why this increase cannot be made during the regular budget cycle and meet the performance criteria stated in section 2.1.1.



The Texas A&M University System Texas A&M Engineering Experiment Station (TEES)

- 2.2.4 One-time merit payments may be requested for amounts up to \$5,000, subject to review and approval by the Engineering Human Resources and Engineering Administration. Requests for exceptions to the \$5,000 limit must be submitted through the appropriate channels for approval by the Engineering Vice Chancellor or designee.
- 2.2.5 One-time merit payments outside the regular budget cycle may be awarded to employees who meet the criteria stated in section 2.1.1., with a minimum interval of 12 months between each payment. An exception to this minimum interval may be requested in extreme situations.

3. APPROVAL PROCEDURES AND PROCESSING

- 3.1 Merit salary increases, whether a merit raise or one-time merit payment, are reviewed and approved as follows:
 - 3.1.1 Regular Budget Cycle:
 - 3.1.1.1 Completion of the merit sections in the regular budget cycle preparation template as determined by the annual budget guidelines.
 - 3.1.2 Outside Regular Budget Cycle:
 - 3.1.2.1 Requests follow the same process as other compensation changes and must ultimately be approved by Engineering Administration following Engineering Human Resources' initial review.
 - 3.1.2.2 Supervisors should work with their designated business office and Engineering Human Resources to route requests for approval.
- 3.2 A copy of the approval will be maintained in the employee's personnel file.

4. STUDENT POSITIONS

4.1 A merit raise may occur at any time after the initial six months of employment in the student wage or graduate assistant position. Recommendations must clearly describe meritorious job performance and appropriately document justification for the increase. The hiring division will appropriately document such pay increases (i.e., letter of recommendation, performance review, etc.). The department head, or



designee, is responsible for the review and approval of recommendation for a merit raise.

4.2 Student positions (including graduate assistants) are not eligible for onetime merit payments.

Related Statutes, Policies, or Requirements

<u>System Policy 31.01, Compensation</u> <u>System Regulation 31.01.08, Merit Salary Increases</u> <u>System Regulation 33.99.03, Performance Evaluations for Nonfaculty Employees</u>

Contact Office

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