

**THE TEXAS A&M UNIVERSITY SYSTEM
HEALTH SCIENCE CENTER RULES**

**31.01.08.Z2 Merit Salary Increases Outside the Regular Budget
Cycle for Non-faculty Employees**

Approved December 14, 2001

Reviewed and confirmed March 19, 2008

Revised August 17, 2011

Supplements System Regulation 31.01.08

1. GENERAL

It is the practice of the Health Science Center (HSC) to award salary increases through the regular budget cycle. However, merit salary increases may also be granted outside the normal budget cycle for exceptional circumstances. Merit salary increases may be paid from any allowable funds, and this internal policy applies to all budgeted non-faculty HSC employees.

2. TYPES OF MERIT SALARY INCREASES

There are two methods for granting a merit salary increase:

- 2.1 A merit raise may be granted to a budgeted employee in recognition of superior performance. This merit raise is added to the employee's base salary.
- 2.2 A one-time merit salary payment may be awarded to a budgeted employee in recognition of superior performance. This is a one-time, lump sum payment that is not added to the employee's base salary.

3. EXCEPTIONAL CIRCUMSTANCES

Exceptional circumstances in which merit salary increases may be awarded to HSC employees are described below.

- 3.1 An employee who demonstrates outstanding performance evidenced by an above average or excellent overall rating on a current performance evaluation, or who has successfully completed a special project of significant importance to warrant special recognition, may be recommended for a merit salary increase.
- 3.2 An employee who demonstrates efficient use of state resources that result in significant savings to the department, the HSC or the System may be recommended for a merit salary increase.

- 3.3 An employee who earns an undergraduate or graduate degree from an accredited institution of higher education or receives a certificate, license, award or other proof of accomplishment related to his/her job may be recommended for a merit salary increase.

4. AWARD CRITERIA

Merit salary increases may be awarded to HSC employees if all of the criteria below are met. Merit salary increases awarded during the annual budget preparation process must also consider criteria included in the Board approved budget guidelines and the budget instructions issued by the Chancellor. Requests for salary increases awarded outside the regular budget cycle should be supported by written documentation giving strong evidence of need and explaining why the adjustment cannot be accomplished during the next budget cycle.

- 4.1 Six months must have elapsed since the employee's last merit salary increase.
- 4.2 An employee must have been employed by the HSC component for at least six continuous months immediately preceding the effective date of the merit salary increase.
- 4.3 The component prepares documentation for granting a merit salary increase that indicates fulfillment of the preceding criteria and substantiates the superior performance and/or project completion.

5. ROUTING AND APPROVAL

Merit salary increases outside the regular budget cycle should be initiated by the immediate supervisor and/or the appropriate HSC Department Chair/Head; forwarded to the appropriate Dean/Director; then sent to the appropriate Vice President for approval if the increase amount is less than \$7500. If the merit salary increase is more than \$7500, it must also be forwarded to the HSC President for approval.

6. INCREASE AMOUNTS

The amount of each merit raise will be based upon availability of funds to the department and equitable allocation procedures developed by the department.

7. ONE TIME MERIT PAYMENTS

One-time merit payments may not exceed \$5,000 unless approved by the HSC President.

OFFICE OF RESPONSIBILITY

Vice President for Finance and Administration