

31.01.08.S1 Merit Salary Increases

Approved October 8, 2001
Revised May 3, 2002
Revised July 17, 2004
Revised December 18, 2005
Revised October 9, 2006
Revised August 15, 2007
Revised July 28, 2008
Next Scheduled Review: July 28, 2010



Rule Statement

The System Offices of The Texas A&M University System (system) may award a merit salary increase to an eligible employee.

Reason for Rule

All merit salary increases will be awarded in accordance with System Regulation 31.01.08, *Merit Salary Increases*, and Texas Education Code § 51.962.

Procedures and Responsibilities

1. DEFINITIONS

Two types of merit salary increases may be awarded.

- 1.1 Merit Raise – An employee may be granted a merit raise that is added to the employee's base salary.
- 1.2 Merit Payment – An employee may be granted a lump-sum merit payment that is not added to the employee's base salary.

2. AWARD CRITERIA

A merit salary increase may be awarded to a System Offices employee based on the following criteria. Merit salary increases awarded during the annual budget preparation process must also be based on criteria included in the Board of Regents-approved budget guidelines and the chancellor's budget instructions. An employee may be recommended for a merit salary increase if he or she demonstrates:

- (1) meritorious performance as documented on a current performance evaluation; or
- (2) efficient use of state resources that results in significant savings to the department, System Offices, or the system; or
- (3) outstanding service or accomplishment to the department, System Offices, or the system.

3. INCREASE AMOUNTS

The amount of each merit increase will be based on the department's available funds and the meritorious contributions to the system. An employee whose current salary exceeds the maximum of the pay grade may not be awarded a merit raise; however, the employee may be awarded a merit payment.

A lump-sum merit payment may be combined with a merit raise and awarded on the same effective date. A total combined merit increase above 9% for the fiscal year of an employee's base salary requires prior approval of the chancellor.

4. RECOMMENDATIONS

Merit salary increases should be initiated by the immediate supervisor and approved by the relevant manager with budgetary authority for the office/department.

5. STUDENT MERIT RAISES

Undergraduate or graduate student positions are not eligible for merit payments. However, employees in these positions are eligible for merit raises based on department head recommendations contingent upon documented satisfactory performance and funding availability.

Related Statutes, Policies, or Requirements

System Regulation *31.01.08, Merit Salary Increases*

<http://www.tamus.edu/offices/policy/policies/pdf/31-01-08.pdf>

Tex. Educ. Code § 51.962

<http://tlo2.tlc.state.tx.us/statutes/docs/ED/content/htm/ed.003.00.000051.00.htm#51.962.00>

Contact Offices

The System Office of Budgets and Accounting
(979) 458-6100

System Human Resources Office
(979) 458-6169

31.01.08 Merit Salary Increases
September 1, 2001
Revised May 3, 2002
Supplements System Policy 31.01

1. GENERAL

It is the practice of The Texas A&M University System to award salary increases through the regular budget cycle. A merit salary increase, including a lump sum merit salary payment, may be granted by the CEO, or designee, outside the normal budget cycle. The merit salary increase may be paid from any allowable fund and must be in accordance with the employment authority as stated in System Policy 01.03. Other compensation administration information, including information on other types of salary increases, may be found in System Regulation 31.01.01.

2. MERIT SALARY INCREASES

A merit salary increase may be granted to an employee in recognition of superior performance that advances the purpose of the component and the System's land-grant mission. There are two types of merit salary increases.

2.1 Merit Raise

An employee may be granted a merit raise that is added to the employee's salary base.

2.2 Merit Payment

An employee may be granted a lump sum, merit salary payment that is not added to the employee's base salary. Merit salary payments are subject to the standard payroll deductions.

3. REQUIREMENTS

- 3.1 Before granting a merit salary increase, the component must adopt a rule establishing criteria for the granting of merit salary increases.
- 3.2 An employee must have been employed by the component for the six months immediately preceding the effective date of the merit salary increase.
- 3.3 Six months must have elapsed since the employee's last merit salary increase.

