

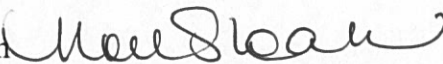


TEXAS TECH UNIVERSITY

Noel A. Sloan
Vice President for Administration & Finance
Chief Financial Officer

MEMORANDUM

TO: Financial Managers

FROM: Noel Sloan 
Vice President for Administration & Finance and Chief Financial Officer

DATE: December 18, 2017

SUBJECT: FY 2018 Merit Program

I am pleased to inform you that a 2% merit program for faculty and staff has been approved by President Schovanec for all centrally funded positions. The recommended merit will be effective March 1, 2018. The criteria and procedures for awarding merits to employees who exhibited meritorious performance during FY 2017 are outlined in this document.

Faculty & Staff Merit Eligibility

Eligibility Criteria

- Benefits eligible faculty and staff (i.e., appointed at least as a .5 FTE, excluding benefits eligible working retirees and temporary workers).
- Employed on or before March 1, 2017 and continuously employed.
- Staff must have a current 2017 performance evaluation (dated March 1, 2017 through August 31, 2017) with an overall rating of 4.0 or above on file with Human Resources.
- Faculty must have a current faculty annual report for year 2016 (dated spring 2017 or after).
- **Merit increases should be based on FY 2017 performance. The Provost or Administration and Finance Office will be reviewing merit amounts awarded to ensure the level of the merit increase is consistent with the faculty annual report or staff performance evaluation rather than a 2% across-the-board increase.**

Ineligibility Criteria

- Employees who received any increase in compensation on or after September 1, 2017 (i.e., merit, promotion, reclassification, etc.) except for staff who received an increase after September 1, 2017 on the basis of completing a work-related certification or college degree.
- Non-benefits eligible employees.
- Employees who are scheduled to retire or terminate on or before March 1, 2018 are excluded from merit consideration.
- Employees hired after March 1, 2017.
- Staff with a current performance evaluation score less than 4.0.
- Staff who do not have a 2017 evaluation on file in Human Resources dated from March 1, 2017 through August 31, 2017.

Other Criteria

- Supplements are excluded from merit calculations.
- The existing criteria and procedures established by each department and/or college are to be considered in determining merit priorities.
- Selection of individuals or allocation of merit funds must not be made based on race, color, religion, sex, age, disability, genetic information, national origin, or veteran status.
- Increases in compensation should be awarded for meritorious performance during FY 2017, guided by existing department and/or college criteria and not across the board adjustments.

Merit Processing

Merit Pool Funding

- Centrally funded merit pools are calculated by multiplying the March 1st through August 31st base salary of positions paid on centrally funded sources and multiplying by 2%. Central sources that pay fringes will receive an additional 18.2% of the calculated pool to account for fringe costs.
- Budget will be allocated to the centrally funded sources in the 6Z3/merit and 6B4/Fringe budget pools by January 15th. These budgets can be allocated to the appropriate salary budget pools by departments using the Budget Revision System. (The pools for positions paid on centrally funded sources that have been temporarily moved to a match fund will be placed in the original permanent FOP that funded the match.) Departments may allocate the budgets to the appropriate salary budget pools by using the Budget Revision System.
- An annualized budget pool amount will be reflected in Budget Prep during the FY 2019 budget cycle.
- A report of the centrally funded merit pools and a listing of eligible employees will be distributed by January 15th to the Dean/AVP of the division.
- Merits awarded on sources that are not centrally funded must be paid within the fund's current budget.

ePAF Processing

- A report of the centrally funded merit pools and a listing of eligible employees will be distributed to the Dean/AVP of the division by January 15th. It is the responsibility of the College/Area to distribute these spreadsheets to the appropriate org level manager or supervisor within their area.
- Each department will be responsible for processing a pay change ePAF transaction for each individual awarded a merit increase in this merit process. For exempt employees, the TTU Pay Change – Exempt ePAF will be used. For non-exempt employees, the TTU Pay Change – Non-exempt ePAF will be used.
- The query date, effective date and personnel dates will all be 03/01/2018.
- The originator of the ePAF will need to give the new annual salary, including merit, for exempt employees and the new hourly rate, including merit, for non-exempt employees.
- The job change reason for all pay change transactions should be MERIT for merit increase.
- The Provost office should be added as an “FYI” for all faculty funds needing their approval. Otherwise, normal routing procedures should be followed for the funding used to pay the employee.

Timeline

- All ePAF’s must be entered by February 28th to ensure the Provost Office and the Administration and Finance Office have time to review.

Contact Information

If you have any questions concerning merit pools or budgets, please refer to the Budget Contacts listed on the Budget Office website at <http://www.depts.ttu.edu/budget/> or call the Budget Office at 742-3228.

Questions concerning ePAF processing can be directed to Human Resources Compensation and Operations by emailing hrs.compensation.operations@ttu.edu or by phone at 742-3851.

cc: President Lawrence Schovanec
Dr. Michael Galyean
Dr. Joseph A. Heppert
Dr. Elizabeth Sharp
Mr. Paul Herring
Ms. Grace Hernandez