

**Introduction**

Awarding merit pay to a faculty member is an institutional recognition for distinguished professional service. As the compensation priorities established by the Faculty Senate include COLA, market equity, internal equity, and merit, funds available for merit will be to some extent limited. However, top faculty performance should be rewarded and, to that end, the merit policy is divided into two components:

*Annual Merit Pay:* Annual merit pay is based on the annual performance evaluation for recognition of meritorious faculty performance with reference to the established areas of faculty professional evaluation

*Performance Award:* This award is established to rectify existing salary inequities. It will provide the opportunity for additional compensation to those faculty whose performance and/or contribution to the university is consistently exceptional.

***Funding***

Funds will be set aside, at the discretion of the university president, for the purpose of awarding merit pay.

***Eligibility***

This policy applies to members of the faculty who hold state board appointments with a rank of professor, associate professor, assistant professor, or instructor; and whose teaching responsibilities are at least fifty percent full-time equivalent (instructional faculty) or teaching responsibilities as assigned (library faculty). Faculty members who were not employed as OIT faculty members in the previous year are not eligible for merit pay.

***Criteria***

To qualify, meritorious performance and/or contribution to the university must be documented in one or more of the faculty member's evaluation areas. For instructional faculty, including department chairs, these areas are instruction, professional development, and institutional service as described in the OIT evaluation Faculty Evaluation Policy OIT 21-040. For library faculty these areas are instruction, professional development, librarianship and institutional service as described in the Library Faculty Performance Evaluation policy OIT 21-041a.

**Annual Merit Pay Implementation**

Selection for recognition of meritorious faculty performance will be made annually with reference to the areas of faculty professional evaluation described in the OIT evaluation policy that applies to that faculty member. To be eligible for merit, objectives should be challenging and extend beyond the normal scope of activities.

***Annual Merit Score***

The Annual Performance Evaluation (APE) form will be completed by the faculty member and a copy provided to their direct supervisor in accordance with the relevant faculty evaluation policy.

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The supervisor will determine a merit score for each faculty member in the department and record this score on the Annual Merit Score (AMS) form (see policy attachment A).

To complete the AMS form, the supervisor will assign a numeric value to each of the evaluation categories, based on the performance levels assigned on the faculty member's APE form in each evaluation category. While exceeding expectations in any category should be a goal, it should not be to the exclusion of the other categories. Supervisors will normally award a score of 1 in any category where a faculty member exceeds expectations, but may award 2 points if the faculty member's performance is truly superlative. If a merit score of 2 is awarded in any category, then a narrative justification is required on the AMS form. Otherwise, a narrative on the merit score form is optional; if none is provided, refer to the last two pages of the APE form. In order to promote balance and activity in all categories, if a faculty member does not meet expectations in one or more categories, his/her total annual merit score for that year shall be zero. Otherwise, the total annual merit score is the sum of the scores from each of the categories on the Annual Merit Score form.

Scores in each evaluation category will be assigned as follows.

<u>Performance (from APE form)</u>	<i>Merit Scoring</i>
<i>Exceeds expectations</i>	1 or 2 <sup>†</sup>
<i>Meets expectations</i>	0
<i>Does not meet expectations</i>	(*)

<sup>†</sup> "Exceeds expectations" will normally be assigned a score of 1, but may be increased to 2 points if the faculty member's performance is truly superlative. If a merit score of 2 is awarded in any category, a narrative justification is required.

\* Receiving a "does not meet expectations" in any category will result in that year's total annual merit score being set to zero.

The AMS form will be completed and returned to the faculty member at the same time as the APE form. In years when merit funds are available, a rolling merit score will be calculated using a three-year rolling average of the current year's score and the prior two year's scores. For example, the calculation for the rolling merit score would be as follows:

Year 1	3
Year 2	0
Year 3	4
Current Rolling Merit Score	$7 / 3 = 2.33$

The next year, drop the oldest year:

Year 2	0
Year 3	4
Year 4	2
Current Rolling Merit Score	$6 / 3 = 2.0$

A year of absence due to sabbatical or another approved leave will be excluded, and a prior year included in the three year total. Otherwise, faculty members who were not employed as OIT faculty members in either of these previous years are not eligible for merit points for those years.

If merit funds are unavailable in a given year, annual merit scores will still be calculated for use in years when merit funds are available.

***Distribution of Funds***

Merit base pay increases will be awarded only in those years in which funds are available for merit. Merit pay will only be distributed in those years in which available compensation funds exceed funds designated for COLA and equity adjustments. The rolling three year score responds to the varying availability of merit funds.

In those years when funds are available, only those employees who exceed expectations will receive a merit base pay increase (see calculation in previous section).

Funds available for merit pay will be distributed among departments by dividing the total dollar amount available by the total number of OIT faculty. Each department will then be awarded that amount multiplied by the number of faculty in the department, excluding the department chair. The same per-faculty amount multiplied by the total number of department chairs will be set aside for distribution among the department chairs.

Awarding of merit pay within a department will be determined by first dividing the total dollar amount awarded to the department by the total number of merit points earned by all department members during the merit consideration period. Each individual is then awarded that amount multiplied by their merit points for that period. Merit pay distribution for department chairs will be done in the same fashion as for departments.

Distribution of funds in merit pool:

1.  $\frac{\text{Total merit funds available}}{\text{FTE Faculty}} = \text{Merit \$ per FTE}$
2.  $(\text{Department FTE number}) \times (\text{merit \$ per FTE rate}) = \text{Total dollars to department.}$
3.  $\frac{\text{Total dollar amount to department}}{\text{Total number of merit points in department}} = \text{per point dollar amount}$
4.  $(\text{Individual's rolling merit score}) \times (\text{per point dollar amount}) = \text{merit award.}$

### Appeal Process

***Teaching Faculty Member:*** A faculty member who does not agree with the department chair's assignment of merit points may check the "I do not concur" box on the AMS form and, within one week, provide a one-page letter of rebuttal to the dean stating what the score should be and why. Upon request, the dean shall provide the faculty member with an opportunity to meet with the dean and the department chair, to present a case for revision. The dean will review the relevant information, including the merit scores assigned to other faculty by the department chair, and recommend a score to the provost, whose decision will be final.

***Library Faculty Member:*** A faculty member who does not agree with the director's assignment of merit points may check the "I do not concur" box on the AMS form and, within one week, provide a one-page letter of rebuttal to the provost stating what the score should be and why. Upon request, the provost shall provide the faculty member with an opportunity to meet with the provost and the director to present a case for revision. The provost will review the relevant information, including the merit scores assigned to other librarians by the director, and recommend a score to the president, whose decision will be final.

***Department Chair:*** Department chairs who do not agree with the dean's assignment of merit points may check the "I do not concur" box on the AMS form and, within one week, provide a one-page letter of rebuttal to the provost stating what the score should be and why. Upon request, the provost shall provide the department chair with an opportunity to meet with the provost and the dean, to present a case for revision. The provost will review the relevant information, including the merit scores assigned to other department chairs by the dean, and recommend a score to the president, whose decision will be final.

**Performance Award Implementation**

Faculty may be considered for a performance bonus in one of the following ways:

- Peer nomination
- Chair nomination
- Administrative nomination

In all cases, written documentation must be submitted describing the faculty member's particular contribution or activities in one or more of the evaluation areas for the previous academic year or years (or period to be considered).

The department chair will review the documentation and forward it to the dean with a recommendation. The dean will make recommendations for performance pay to the provost; the provost will make recommendations to the president who shall approve or deny the award. The president will then notify faculty members who will be receiving a performance pay bonus. At the president's discretion, the award may be for a one-year only bonus and paid in a lump sum, or it may be applied to the faculty member's base pay as a permanent increase. If the department is not under the authority of a dean, then the dean's role shall be filled by the provost.

***Timeline***

Fourth week of Fall Quarter: Documentation is submitted to department chair.

Sixth week of Fall Quarter: Department chair forwards documentation with recommendation to provost.

Eighth week of Fall Quarter: Dean meets with the president to review reports and recommendations.


Tenth week of Fall Quarter: President reviews reports and selects recipients.

First payroll of Winter Quarter: Recipients receive bonus pay or salary adjustments.

**Recommended by:**

Faculty Senate – April 7, 2009

President's Council – May 19, 2009

Approved:   
Christopher G. Maples, President

Date: June, 22, 2009