



TEXAS WOMAN'S UNIVERSITY

Merit Base Compensation (Staff) Eligibility, Guidelines & Dates

Merit Based Compensation

The Merit-Based Compensation program is intended for eligible faculty and staff to reward performance with merit increases permanently added to the base salary, leading to greater future merit awards and retirement benefits.

The FY 2024 budget includes a larger merit pool than previous years of ~\$5 million (5% of the total salary budget) for sustainable merit increases. A merit increase is an increase to recognize meritorious job performance but is not associated with a promotion or a change in job title resulting from a significant change in job duties.

Merit-Based Compensation will be awarded through Oracle Cloud, with training provided to unit leaders by the Office of Human Resources. Each department head/unit leader awarding merit should follow directions provided by their respective Vice President for the approval of merit recommendations.

Staff Requirements:

After the completion of 2022-2023 performance evaluations, all eligible non-exempt and exempt staff employees receiving a "Proficient," "Highly effective," or "Exceptional" rating will receive a minimum 4% merit increase.

After minimum merit increases are applied to base non-exempt and exempt staff salaries, Vice Presidents and Division Heads will be provided with the remaining 1% available merit allocations to be awarded to non-exempt and exempt staff employees as additional discretionary merit pay based on performance. Discretionary merit pay amounts are to vary by individual from 0-3%. Total merit pay amounts vary by individual not to exceed 7%. The minimum total merit pay amounts will be \$1,500 (pro-rated for part-time). Vice Presidents and Division Heads will be responsible for providing allocations to their department heads/unit leaders.

Please review the eligibility requirements, guidelines, and dates below:

Table with 1 column and 7 rows detailing General Eligibility criteria for merit increases.

<b>Guidelines</b>
Merit is calculated using the base salary.
Employees are eligible to receive total merit increases of up to 7% of the base salary, not to exceed the maximum of the employee's pay grade.

<b>Dates</b>
The hire/rehire date into an eligible position must be prior to July 1, 2023, to be eligible for merit.
Merit will be effective on January 1, 2024.
The first monthly merit payout amount will be on February 1, 2024, for exempt employees. The first semi-monthly payout amount will be on January 16, 2024, for non-exempt employees.

Updated: 12/1/2023

The following requirement was removed from the guidelines and will not be implemented for this year's merit cycle only. *"Once the employee's base salary is at the salary range maximum, any additional merit dollars will be issued as a lump sum payment on the payout date following the effective date of January 1, 2024."*