



## **Merit Based Compensation (Faculty) Frequently Asked Questions (FAQ's)**

### **What faculty status qualifies for merit?**

*Regular full-time and regular part-time faculty employed prior to January 1, 2021 are eligible for merit. Visiting and adjunct faculty are not eligible for merit awards.*

### **What process was used to determine faculty merit awards?**

*Merit pay for each faculty member was determined as the sum of the following components:*

#### **A. Rating-based merit pay (using most recent Periodic Performance Review - PPR)**

*Effective or Exceptional\* 1.5% of current salary*

*Needs Improvement 1 %*

*Ineffective Performance 0.0%*

*\* If the most recent review was a promotion and/or tenure review, a positive result from the review is equivalent to a rating of Effective or Exceptional in determining rating-based merit pay.*

#### **B. Discretionary Merit Pay**

*In addition to the amounts generated by application of the ratings-based percentages, each Dean had an opportunity to allocate additional amounts of merit pay to individual faculty members based on her/his accomplishments in the domains of Teaching, Scholarship, and Service (including Administration, as appropriate).*

### **Will the merit award allocation be added to base salary?**

*Yes. Any eligible merit awards will be added to the base salary in the form of a monthly merit award amount. The monthly merit award amount is determined by the total annual merit award divided by the number of pay periods the merit award recipient works annually (9 or 12).*

### **How is the paycheck increase for faculty calculated in light of their 9-month contracts?**

*Faculty members have 9 month appointments, but have the option to spread the pay over 12 months. There are five paychecks remaining for the 9 month appointments (February 1, March 1, April 1, May 2, June 1) so all faculty should receive the equivalent of 5 merit payments total. For a 12 month payment option, the merit increase is spread over 8 months (February 1 through September 1).*

*Example based pay option: \$900 merit increase in 2021-22*

#### **➤ 12-month pay option:**

- In this example, a faculty member receives a \$900 total merit increase for a 9 month appointment.  $\$900 \text{ total merit} / 9 \text{ months} = \$100.00 \text{ per paycheck}$*
- In the 9 month appointment, 5 months are remaining this fiscal year. Therefore, the total merit due for the remaining 5 months is \$500.*



- *This faculty member has chosen the 12 month pay option for the 9 month appointment. Therefore, eight paychecks are remaining for this fiscal year. (February 1, March 1, April 1, May 2, June 1, July 1, August 1, and September 1).*
- *Therefore, in this example, this faculty member is eligible to receive \$500 for the remainder of this fiscal year paid out over 8 paychecks.*
- *The \$500 total merit due for this fiscal year is divided by the 8 remaining paychecks for this fiscal year to determine the amount for each paycheck. The \$500 divided by 8 remaining paychecks = \$62.50 added to each paycheck from February 1, 2022 – September 1, 2022.*
- *Beginning with the October 1, 2022 paycheck, since we are starting a new fiscal year (using the \$900 example), the increase for faculty selecting the 12-month pay option will be spread over the entire 12 months. Therefore, \$75 merit will be added to each paycheck ( $\$900/12 \text{ paychecks} = \$75 \text{ merit per paycheck}$ ) from October 1, 2022 – September 1, 2023.*
- *Formula to determine your payout this fiscal year for the 12 month pay option:*
  - *Total Merit Award divided by 9 months = X*
  - *X times 5 months = Y*
  - *Y divided by 8 paychecks = Merit added to each paycheck (February 1, 2022 – September 1, 2022)*

➤ **9-month pay option:**

- *\$ There are five paychecks remaining for the 9 month appointments (February 1, March 1, April 1, May 2, and June 1).*
- *\$900 merit increase equates to \$100 per month x 5 paychecks remaining = \$500 total for this fiscal year (February 1 – June 1).*
- *Beginning with the October 1, 2022 paycheck (using the \$900 example) the amount for those selecting the 9-month pay option will remain at \$100 merit per paycheck.*

*For faculty merit pay questions regarding the pay spread for 9 or 12 month, please contact Payroll at [payroll@twu.edu](mailto:payroll@twu.edu)*

**What is the effective date of the increase, and when will I see it in my paycheck?**

*The effective date of the merit increase for eligible faculty members is January 1, 2022 to be reflected on the February 1, 2022 paycheck.*

**Will the new base pay be used to determine summer salaries?**

*Yes, the new 9-month pay will be the base upon which summer salaries are calculated.*

**What if I want to appeal my merit increase?**

*If, for some reason, a faculty member believes there has been an error in calculating the merit award, she/he may consult with the dean. As always, the Office of Human Resources reserves the right to review any action that violates relevant state and federal law.*